



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

September 21, 2005

In reply refer to: KDP-4

Mr. Robert G. Retana
Cotchett, Pitre, Simon & McCarthy
San Francisco Airport Office Center
840 Malcolm Road, Suite 200
Burlingame, CA 94010

RE: FOIA Request No. 05-051

Dear Mr. Retana:

This letter responds to your Freedom of Information Act request to the Bonneville Power Administration (BPA) dated August 4, 2005, designated as our log number 05-051.

All documents in BPA's possession responsive to each of your requests are enclosed, including the following:

1. Power Sales Agreements and other contracts supporting the sales of power to the Longview Aluminum Smelter from 1997 through the present. This includes contracts entered into by and between BPA and Reynolds Metals Company, Alcoa, Inc., and Longview Aluminum LLC
2. Curtailment Agreements and related documents whereby the BPA "curtailed power to the Longview Aluminum Smelter." This includes the Curtailment Agreement signed on February 21, 2001, Confirmation Agreements (later referred to as DSI Liquidated Damages Agreements), and DSI Liquidated Damages Agreements.
3. Correspondence (including emails) between the BPA and anyone affiliated with the Longview Aluminum Smelter, or third parties, relating to the Curtailments Agreement(s) or Power Sales Agreement(s) of the Longview Aluminum Smelter from 1997 to the present. This includes any correspondence between the BPA and Michael Lynch, Matthew Ochalski, Dominic Forte, James McCall and John Kolleng.
4. Reynolds Metals Company Wholesale Power Bills from 1997 through February 2001, Longview Wholesale Power Bills beginning March 2001, and other related invoices for power sales and liquidated damages. As a courtesy, a monthly summary of the metered loads of the Longview smelter from 1997 through February 2001 is included with the bills. This is

provided because the energy amounts in the Reynolds Metals Company Wholesale Power Bills is the combined loads of the Longview smelter and Troutdale aluminum smelter located in Troutdale, Oregon. The records of the payment amounts to Longview Aluminum LLC pursuant to the February 21, 2001, Curtailment Agreement signed by BPA and Longview Aluminum LLC are also included.

If you are dissatisfied with this determination, you may make an appeal within thirty (30) days of receipt of this letter to Director, Office of Hearings and Appeals, Department of Energy, 1000 Independence Avenue SW, Washington, D.C. 20585. Both the envelope and the letter must be clearly marked "Freedom of Information Act Appeal."

You agreed to pay up to \$250 for search and review time to fulfill your request. You will be sent an invoice for \$250 under separate cover by our accounting department for the costs associated with the processing of your request.

If you have any questions regarding this response, you may contact me at 503-230-7303.

Sincerely,

Christina J. Brannon
Freedom of Information Act Officer

This is a conceptual proposal . . . it reflects the intent of parties to discuss a potential transaction. It does not commit either party to proceed with a negotiation, nor to complete any transaction.

BPA/McCOOK FIRM EXCHANGE AGREEMENT

INDICATIVE TERM SHEET – DRAFT 10/27/00

1. McCook objective is to secure a firm supply of power for 280MW of the 420MW Longview Smelter load from October 1, 2006 through September 30, 2011.
2. BPA objective is to secure a firm supply of power for April 1, 2004 through September 30, 2006 to augment FCRPS for purposes of meeting firm regional load obligations.
3. Term: April 1, 2004 through September 30, 2011
4. Firm Exchange Transaction: (See Exhibit A)
5. Alternative Exchange and Market Pass-Through Transaction: (See Exhibit A)
6. Decision to move to alternative exchange described in section 5:
 - a. McCook must make “best effort” to finance and construct 550MW CCCT.
 - b. McCook must commit to support CCCT deliveries to BPA as “system firm”, not contingent on operation of the unit, once commercial operation begins.
 - c. McCook/BPA agree on CCCT completion milestones.
 - d. If any milestones not met, McCook/BPA mutually agree to move to Alternative Exchange.
 - e. If milestones not met, and there is no mutual agreement to move to alternative exchange, deal terminates.
7. Points of delivery:
 - a. McCook – BPA will designate, unconstrained point of delivery on BPA network.
 - b. BPA – Pro-rata at BPA generation busbars (McCook must obtain network wheeling for BPA generation or contract sources to Longview load).

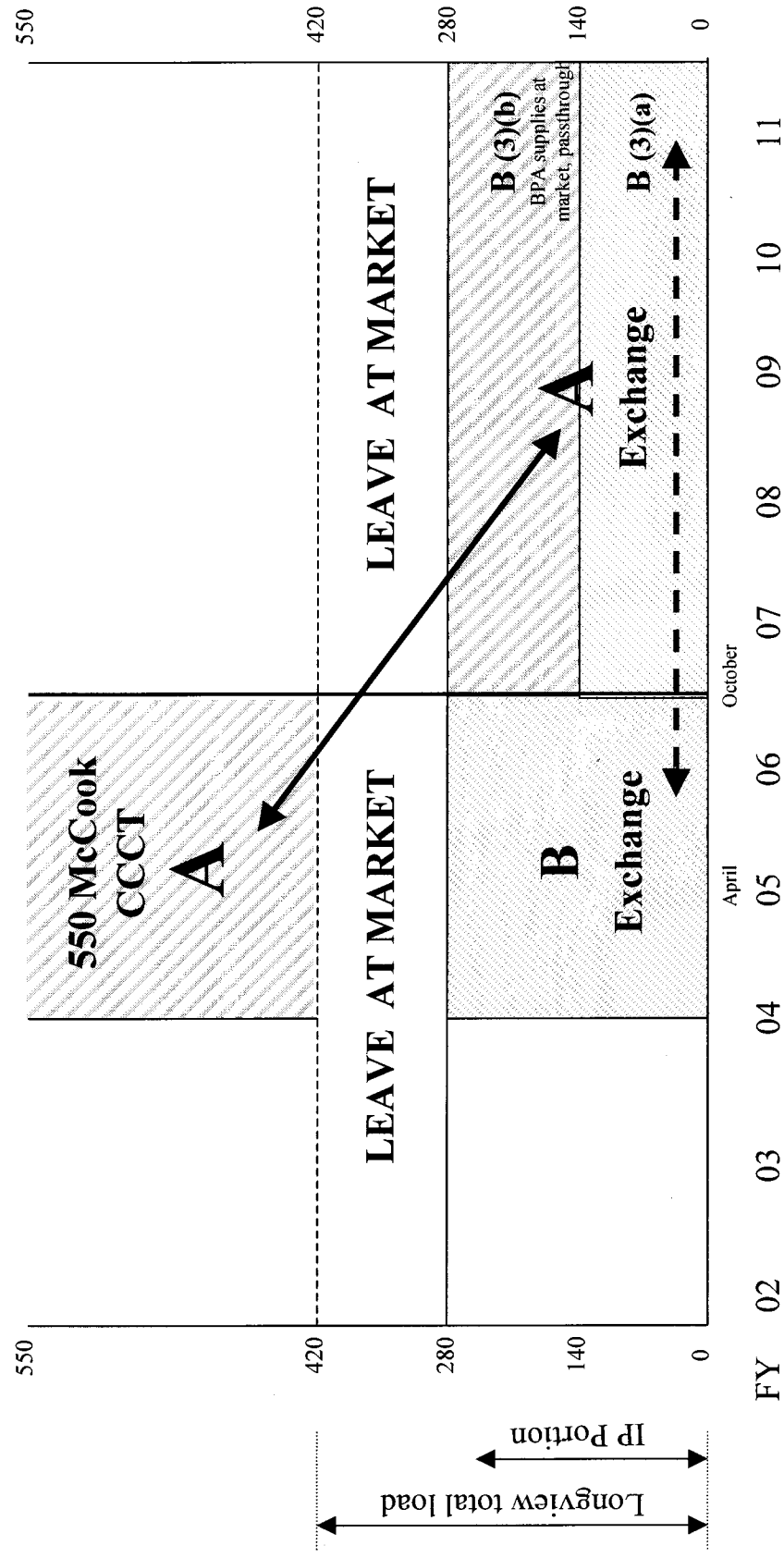
8. Termination Rights:

- a. If BPA/McCook mutually agree to move to the alternative exchange, and there is significant opposition by U.S. Steelworkers (as defined by BPA), then BPA may issue McCook a 30 day termination notice.
- b. Other?

9. Other Provisions:

- a. McCook agrees to pay any and all costs associated with the alternative exchange "market pass through" such that it will not result in any cost to other BPA customers.
- b. McCook agrees to secure "industry standard" quality Scheduling Coordination services necessary to conduct this transaction.
- c. McCook agrees to permanently remove all McCook loads from IP service on its successor rate schedule on October 1, 2006.

Exhibit A



Clark, Harry W - PTS

From: Miller, Mark - PT-5
Sent: Tuesday, September 05, 2000 5:14 PM
To: Clark, Harry W - PTS-5; Oliver, Stephen - PT-5; Berwager, Syd - PS-6; Runzler, Kurt W - LP-7; Norman, Paul - P; Stier, Jeffrey K - KN-DC
Subject: Letter from Alcoa on Longview sale



BPA letter on
Longview Sale.doc...

Interesting turn of events. Alcoa is going to assign its rights to the Longview IP power to McCook Metals as part of the sale of the plant.

-----Original Message-----

From: Speer, Jack A. [mailto:Jack.Speer@alcoa.com]
Sent: Tuesday, September 05, 2000 4:41 PM
To: 'Miller, Mark'
Cc: Laun, Max W.; Overbey, Randall M.; Castner, Lawrence V.; Schmidt, A. Irene
Subject: Department of Energy

<<BPA letter on Longview Sale.doc>>

Mark,

Here is a copy of a letter to you I mailed today.

Thanks for you help.

Jack

September 5, 2000

Mr. Mark E. Miller – PSB/5
Department of Energy
Bonneville Power Administration
P. O. Box 3621
Portland, Oregon 97208-3621

Re: Longview Aluminum Reduction Plant

Dear Mr. Mark:

As a condition of their approval for Alcoa Inc's acquisition of Reynolds Metals Company, the European Commission has required that Alcoa sell at least a 25% in interest in the Longview (Washington) Aluminum Reduction Plant. This letter is to confirm that Alcoa is discussing with McCook Metals LLC the terms of a sale of 100% of the Longview Plant to McCook. We are aware that McCook has broached with you the terms of an assignment of the Longview power sales contracts and understand from them that you have been extremely supportive and cooperative. As we are under a legal obligation to submit a signed agreement for the sale of the Longview plant to the Commission on or before November 3, 2000, we hope that we can count on your continued support and cooperation in this matter.

The terms of the proposed sale to McCook of the Longview Plant would include the partial assignment to McCook of Reynolds' rights under Power Sales Agreement Contract No. 95MS-94865 to take delivery of 420 MW. In addition, as part of a sale of Longview plant to McCook, Alcoa and Reynolds have agreed to the partial assignment to McCook of Reynolds' rights to 280 MW of Firm Power under the letter agreement dated June 23, 2000, for the 5-year period beginning October 1, 2001.

With such a tight time frame to meet the European Commission's requirements, time is obviously of the essence in the assignment process. So, if we can answer any questions or address any concerns about this matter, do not hesitate to contact me. Also, I am certain you recognize the confidential nature of the ongoing negotiations on this matter, and trust that you will treat this information as confidential to the best of your ability.

Sincerely,

Jack A. Speer
Northwest Energy Leader

Clark, Harry W - PTS

From: Miller, Mark - PT-5
Sent: Tuesday, February 13, 2001 2:28 PM
To: 'Jack Speer'
Cc: Clark, Harry W - PTS-5
Subject: Alcoa/Reynolds Longview curtailment

I wanted to confirm the initial ramp down schedule for the Longview South Plant you left me on a phone message.

Schedule reductions:

Initial Schedule	380MW
HE 2000 2/13/01	338MW
HE 1100 2/14/01	296MW
HE 1100 2/15/01	255MW

BPA will pay a price of \$100 per MWh (gross). Alcoa/Reynolds will still be obligated to pay BPA the IP rate for the curtailed power.

We will try and get you the information you need to communicate with BPA realtime scheduling regarding any deviation from the above schedule.

Harry is putting together a confirm to memorialize this transaction. We will draw up the confirm using our best estimate of MWh involved and will note on the confirm that the payments may be adjusted based on actual meter readings.

Longview Aluminum Company, LLC

January 19, 2001

Mr. Stephen J. Wright
Acting Administrator
Bonneville Power Administration
905 N.E. 11th Avenue
Portland, OR 97232

Dear Mr. Wright:

As you know, Longview Aluminum Company, LLC (Longview Aluminum) and the Bonneville Power Administration (BPA) have executed a Curtailment Agreement pursuant to which Longview Aluminum, the Pacific Northwest steelworkers employed at the Longview Smelter, and BPA will share in the benefits created from the curtailment of power by Longview Aluminum at the Longview smelter through March 31, 2002.

As we indicated many times during our negotiations regarding the Curtailment Agreement, Longview Aluminum firmly believes that the long-term viability of the Longview smelter hinges on Longview Aluminum's ability to successfully finance, construct, and operate our own power supply resources. The Curtailment Agreement is but one step toward making our goal of the energy independence a reality. We believe our commitment to this goal is reflected in our pledge in the Curtailment Agreement not to argue in any legal or political forum that Longview Aluminum has a statutory right to, or should be allocated, any direct or indirect service of Federal power after September 30, 2006. We understand that Longview Aluminum's commitment to forego Federal power service after September 30, 2006 is important to other Pacific Northwest customers of BPA. In addition to our pledge in the Curtailment Agreement, Longview Aluminum stands ready to support legislation prohibiting BPA from serving, directly or indirectly, the Longview smelter or any other Pacific Northwest load of Longview Aluminum, or any other subsidiary or affiliate of Michigan Avenue Partners, after September 30, 2006.

Sincerely,



John L. Kolleng
Vice Chairman & General Counsel

JLK/rs



McCOOK METALS LLC

ISO 9001

FAX TRANSMISSION

Date 1/19/01

Number of pages including cover sheet 2

TO: Mark Miller

Phone

Fax Phone (503) 230-3681

FROM: John Kolleng

McCook Metals

Phone (708) 387-8523

Fax Phone (708) 387-8919

REMARKS: ☐ Urgent ☐ For your review ☐ Reply ASAP ☐ Please Comment

Miller, Mark E - PT

From: Scaramuzzo, Rosemarie [Rosemarie.Scaramuzzo@MCCookMETALS.com]
Sent: Friday, January 19, 2001 10:30 AM
To: 'memiller@bpa.gov'

Importance: High



Stephen Wright.doc

We're ready to send this. Please approve.

Please call John Kolleng at (312) 953-8690. Thank you.

<<Stephen Wright.doc>>

January 19, 2001

Mr. Stephen J. Wright
Acting Administrator
Bonneville Power Administration
905 N.E. 11th Avenue
Portland, OR 97232

Dear Mr. Wright:

As you know, Aluminum Company, LLC (Longview Aluminum) and the Bonneville Power Administration (BPA) have executed a Curtailment Agreement pursuant to which Longview Aluminum, the Pacific Northwest steelworkers employed at the Longview Smelter, and BPA will share in the benefits created from the curtailment of power by Longview Aluminum at the Longview smelter through March 31, 2002.

As we indicated many times during our negotiations regarding the Curtailment Agreement, Longview Aluminum firmly believes that the long-term viability of the Longview smelter hinges on Longview Aluminum's ability to successfully finance, construct, and operate our own power supply resources. The Curtailment Agreement is but one step toward making our goal of the energy independence a reality. We believe our commitment to this goal is reflected in our pledge in the Curtailment Agreement not to argue in any legal or political forum that Longview Aluminum has a statutory right to, or should be allocated, any direct or indirect service of Federal power after September 30, 2006. We understand that Longview Aluminum's commitment to forego Federal power service after September 30, 2006 is important to other Pacific Northwest customers of BPA. In addition to our pledge in the Curtailment Agreement, Longview Aluminum stands ready to support legislation prohibiting BPA from serving, directly or indirectly, the Longview smelter or any other Pacific Northwest load of Longview Aluminum after September 30, 2006.

Sincerely,

John L. Kolleng
Vice Chairman & General Counsel

JLK/rs

Clark, Harry W - PTS

From: Hanlon, Doug - PTS-5
Sent: Monday, January 22, 2001 10:39 AM
To: Clark, Harry W - PTS-5
Subject: FW: Alcoa Assignment



mcc012201assignm
ent.doc

fyi.

-----Original Message-----

From: JSmith@PattonBoggs.com [mailto:JSmith@PattonBoggs.com]
Sent: Monday, January 22, 2001 10:25 AM
To: dwhanlon@bpa.gov; kwrnzler@bpa.gov; memiller@bpa.gov
Cc: hspigal@prestongates.com
Subject: Alcoa Assignment

In the interests of resolving loose ends, I have prepared and attached a form of Assignment for McCook to suggest to Alcoa to effectuate the assignments of the power contracts. I would appreciate any comments you may have on this document. I would also appreciate if you could forward to me for my files an executed copy of the Alcoa 2001 Agreement and the assignment by Reynolds to Alcoa of the 1996 Agreement. My fax number is 202-463-7466.
<<mcc012201assignment.doc>>

This e-mail message contains confidential, privileged information intended solely for the addressee. Please do not read, copy, or disseminate it unless you are the addressee. If you have received it in error, please call us (collect) at (202) 457-6000 and ask to speak with the message sender. Also, we would appreciate your forwarding the message back to us and deleting it from your system. Thank you.

To learn more about our firm, please visit our website at
<http://www.pattonboggs.com>.

ASSIGNMENT

Reference is made to (i) that certain Power Sales Agreement between the United States of America, Department of Energy, acting by and through the Bonneville Power Administration ("BPA") and Reynolds Metals Company, a Delaware corporation ("Reynolds"), executed on September 28, 1995 and numbered Contract No. 95MS-94865, as the same has been amended from time to time and assigned by Reynolds to Alcoa, Inc., a Pennsylvania corporation ("Alcoa"), pursuant to an Assignment dated _____ ("the Reynolds/Alcoa 1996 Agreement"), which agreement provides for the delivery of power and provision of transmission services by BPA to Alcoa during the period from October 1, 1996, through September 30, 2001, and (ii) that certain Block Power Sales Agreement between BPA and Alcoa executed on _____, 2000 and numbered Contract No. 00PB-12196 (the "Alcoa 2001 Agreement"), which agreement provides for the delivery of power by BPA to Alcoa during the period from October 1, 2001, through September 30, 2006.

For good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Alcoa does hereby assign, convey and transfer to Longview Aluminum, LLC, a Delaware limited liability company ("Longview Aluminum"), all of Alcoa's right, title and interest in and to (i) 420 megawatts per hour ("MWh") of Contract Demand under the Reynolds/Alcoa 1996 Agreement, and (ii) 280 MWh of Firm Power under the Alcoa 2001 Agreement. Alcoa hereby represents to Longview Aluminum and BPA that the Plant Load (as such term is defined in the Reynolds/Alcoa 1996 Agreement) of the Longview Reduction Plant (the "Smelter") as of the date hereof is 420 MWh.

By signing below, BPA hereby (i) consents to the assignments effectuated hereby, and (ii) agrees and confirms that, as a result of Longview Aluminum's acquisition of the Smelter and the assignments effectuated hereby, Longview Aluminum becomes a direct service customer of BPA for all purposes of federal law and BPA policies and procedures.

Date: As of _____, 2001

ALCOA, INC.

By: _____

Its: _____

ACKNOWLEDGED AND ACCEPTED:

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By: _____

Name: Mark E. Miller

Its: Account Executive

LONGVIEW ALUMINUM, LLC

By: _____

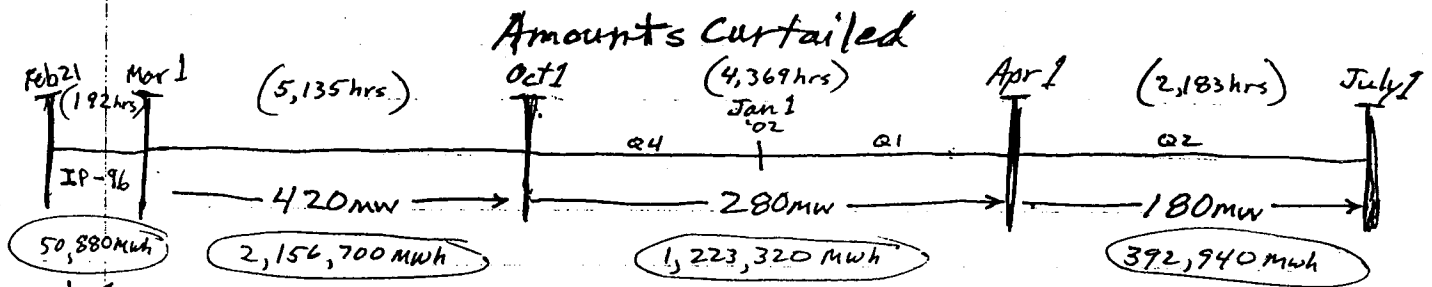
Name: _____

Its: _____

Confidential

For Internal Use Only

McCook deal as of 2/15/01, Notes
(assumes McCook takes possession 2/21/01)



Ramp Down
Feb 21 through Feb 28 amount

125mw's down from Alcoa curtailment
40mw's reduced from Reynolds schedule (420-380)
165mw • subtotal
100mw • estimated average mw curtailed in Rampdown
265mw • Total average over 8 days

Mike Caldwell

month	Amount
① 3/20/01 for Feb	\$17,000,000
② 4/20/01 for Mar	\$19,452,380
③ 5/20/01 for April	\$21,869,047
④ 6/20/01 for May	\$21,869,047
⑤ 7/20/01 for June	\$21,869,047
⑥ 8/20/01 for July	\$21,869,047
⑦ 9/20/01 for Aug	\$21,869,047
⑧ 10/20/01 for Sept	\$21,869,047
⑨ 11/20/01 for Oct	\$14,583,333
⑩ 12/20/01 for Nov	\$14,583,333
⑪ 1/20/02 for Dec	\$14,583,333
⑫ 2/20/02 for Jan	\$14,583,339

PRICES

Feb 21 through Sept '01 = \$102.37/mwh
Feb 21 through June '02 = \$59.10/mwh

- assuming \$226,000,00 total payments
- assuming IP must be added to prices for total BPA cost
- assuming no time value of money adjustment

TOTAL 226,000,000

3 wire transfer accounts
Bank
Union
Company

- ① Longview pays IP for power consumed during rampdown.
- ② Longview buys Station Service Power @ \$100/mwh, starting March 1st
- ③ Longview pays market index price for any uncurtailed power after Feb 28th.

Note: Billing Account need to be set up internally for Longview.

FACSIMILE COVER SHEET

SEYFARTH
ATTORNEYS **SHAW**

55 EAST MONROE STREET, SUITE 4200
CHICAGO, ILLINOIS 60603-5803
DIRECT DIAL: (312) 269-8970
FAX: (312) 269-8869
E-MAIL: jkoenigsknecht@seyfarth.com

PLEASE DELIVER THIS TRANSMISSION TO:

NAME: Mark Miller
FIRM: BPA
FAX NO.: (503) 230-3681
FROM: John Koenigsknecht
DATE: March 6, 2001
CLIENT NO.: 23731-44

TEL:

TOTAL PAGES: 2
(Including cover sheet)

- | | |
|--|---|
| <input type="checkbox"/> Hard copy to follow | <input type="checkbox"/> Please review and make necessary changes |
| <input type="checkbox"/> Per your request | <input type="checkbox"/> Please review and advise |
| <input type="checkbox"/> Per our discussion | <input type="checkbox"/> Please telephone me |

ADDITIONAL MESSAGE:

THE INFORMATION CONTAINED IN THIS TRANSMISSION IS ATTORNEY PRIVILEGED AND/OR CONFIDENTIAL INFORMATION INTENDED FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE, AND RETURN THE ORIGINAL TRANSMISSION TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE. THANK YOU.

February 27, 2001

Longview Aluminum LLC
4900 First Avenue
McCook, Illinois 60025

RE: Asset Purchase Agreement Dated as of December 22, 2000 between Reynolds Metals Company ("Seller") and Longview Aluminum LLC ("Buyer"), as amended (the "Asset Purchase Agreement")


Gentlemen:

This is to confirm our receipt of the \$140,000,000 Purchase Price by wire transfer of same day funds as of February 27, 2001. On that basis, you have our consent to release from escrow the closing documents with respect to the transaction contemplated by the Asset Purchase Agreement which have been held in a conference room at Schulte, Roth & Zabel. By signing below, you also release from escrow the set of agreements with respect to the Asset Purchase Agreement that we have in escrow at Alcoa Inc.'s Corporate Center.

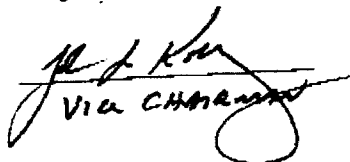
It was also agreed that upon receipt of the funds on February 27, 2001, the transaction would be considered effective as of the start of business on February 27, 2001. For purposes of the Asset Purchase Agreement and the First Amendment to the Asset Purchase Agreement, particularly the pro rations of liability such as utilities, real estate, personal property and ad valorem taxes and payroll, that pertain to periods prior to and after the Closing Date, start of business on February 27, 2001 shall mean 7:00AM Pacific Coast Time. Further, Seller shall have no obligation or liability to Purchaser or to the Bonneville Power Administration with respect to any potential power sales under the Curtailment Agreement between Purchaser and the Bonneville Power Administration, either before or after the time that the Closing was effective.

Very truly yours

Reynolds Metals Company


Accepted and agreed as of the date of this letter

Longview Aluminum LLC


Via Chairman



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

GENERAL COUNSEL

February 23, 2001

In reply refer to: L-7

To the Administrative Agent, the Funding Agent and each of the Lenders party to the Loan Agreement referred to below:

To Longview Aluminum, LLC:

Ladies and Gentlemen:

I am counsel to the Bonneville Power Administration (the "BPA"), which is a Federal agency within the Department of Energy, United States. I have been informed by Longview Aluminum, LLC, a Delaware limited liability company (the "Borrower"), that it is engaged in transactions with respect to (A) the acquisition and/or lease (the "Acquisition") by the Borrower of substantially all of the assets comprising the Longview primary aluminum reduction plant (the "Facility") located on the Columbia River in Longview, Washington pursuant to the Asset Purchase Agreement between the Borrower and Reynolds Metals Company, a Delaware corporation (the "Seller"), dated December 22, 2000, as amended by a First Amendment (the "Purchase Agreement"), (B) the Curtailment Agreement dated February 21, 2001, between the BPA and the Borrower, Contract Number: 01PB-10786 (the "Curtailment Agreement") and (C) the making of a loan (the "Loan") to the Borrower pursuant to a Loan Agreement (the "Loan Agreement"), by and among the Borrower, the lenders named therein (the "Lenders"), and Ableco Finance LLC, as administrative agent, collateral agent and funding agent (in such capacities, the "Administrative Agent" and the "Funding Agent") for the Lenders.

I have been asked to render certain opinions, as set forth herein, in connection with the execution of the Curtailment Agreement, referenced above. In that connection, I have reviewed such records and documents as I have deemed appropriate as a basis for the opinions hereinafter expressed; and I have made such investigations of law as I have deemed appropriate as a basis for the opinions hereinafter expressed. My review has included a review of the following documents (such documents are referred to individually as a "BPA Document" and collectively as the "BPA Documents" and the transactions contemplated by such BPA Documents are referred to collectively as the "BPA Transactions");

1. The Curtailment Agreement;
2. The Consent dated as of the date hereof between the BPA and the Administrative Agent (the "Consent");

3. The Power Sales Agreement between the BPA and the Borrower dated February 23, 2001 and numbered Contract No. 01PB-10768 (the "1996 Agreement");
4. The Block Power Sales Agreement between the BPA and the Borrower dated February 23, 2001, and numbered Contract No. 01PB-10769 (the "2001 Agreement");
5. The Assignment executed by Reynolds Metals Company ("Reynolds"), Alcoa Inc. ("Alcoa") and the Borrower dated as of the date hereof and countersigned by the BPA pursuant to which Reynolds assigns to the Borrower its right to 420 megawatts of Contract Demand under Contract No. 95MS-94865 and Alcoa assigns to the Borrower 280 megawatts of Firm Power under Contract No. 00PB-12196 (the "Alcoa Assignment");
6. The Assignment of Moneys Due Or To Become Due dated as of the date hereof and executed by the Borrower and the Administrative Agent pursuant to which the Borrower assigns to the Administrative Agent for the benefit of the Lenders certain moneys due to or become due under the Curtailment Agreement (the "Assignment of Moneys Due"), a fully executed copy of which is attached hereto as Exhibit A;
7. The Notice of Assignment dated as of the date hereof executed by the Administrative Agent (the "Notice of Assignment"), a fully executed copy of which is attached hereto as Exhibit B;
8. The Acknowledgement of receipt of the Notice of Assignment dated as of the date hereof executed by Mark Miller of the BPA, as the contracting officer for the Curtailment Agreement, or Stephen Wright, as the Acting Administrator of the BPA (the "First Acknowledgement"); and
9. The Acknowledgement of receipt of the Notice of Assignment dated as of the date hereof executed by Mike Caldwell of the BPA, as the disbursing officer of the BPA (the "Second Acknowledgement").

My opinions assume the genuineness of signatures on original documents of all persons other than officers and any other representatives of the BPA and the conformity to the original of all copies submitted to us as photocopies or conformed copies. With your consent, we have also assumed that the Administrative Agent and the Lenders are financing institutions in the business of making commercial loans and that the Administrative Agent is the agent for the Lenders.

Based on, and subject to the foregoing, I am of the opinion that:

1. The office of Administrator of the BPA (the "Administrator") was duly established by and is validly existing under the Bonneville Project Act of 1937, Pub. L. No. 75-329.

2. The execution, delivery and performance by the BPA of its obligations under each of the BPA Documents and the consummation by the BPA of the BPA Transactions contemplated thereby has been duly authorized by the BPA and the Administrator, acting within the power and authority accorded to the Administrator under federal law. Except as set forth in paragraph 7 below, no order, consent, approval, license, authorization or validation of, or filing, recording or registration with, or exemption or other action by, and no notice to any governmental authority is required in connection with the due execution, delivery and performance by the BPA of any BPA Document or the consummation by the BPA of any of the BPA Transactions contemplated thereby. Either of Stephen Wright or Mark Miller and (in the case of the Second Acknowledgement) Mike Caldwell are duly authorized to execute and deliver each of the BPA Documents in the name of and on behalf of the BPA and each of the BPA Documents has been duly executed by Stephen Wright, Mark Miller or Mike Caldwell, as the case may be.

3. The BPA and the Administrator are duly authorized to consent to (i) any assignments by the Borrower to the Administrative Agent of moneys due or to become due by the BPA to the Borrower pursuant to the Curtailment Agreement for purposes of securing loans by the Lenders to the Borrower, and (ii) any grants by the Borrower to the Administrative Agent for the benefit of the Lenders of a security interest in the Curtailment Agreement for the purpose of securing loans by the Lenders to the Borrower. By paragraph 11(d) of the Curtailment Agreement, the BPA agreed to and approved the right of the Borrower to make an assignment or assignments of moneys due or to become due by the BPA to the Borrower pursuant to the Curtailment Agreement to any bank, trust company, or other financing institution or its (their) agents for the purpose of securing any loans they may make to the Borrower the proceeds of which are used for Qualified Expenditures (as such term is defined in the Curtailment Agreement). Such assignment is consistent with and otherwise meets any applicable requirements of the Assignment of Claims Act of 1940 as codified in 31 U.S.C. § 3727 and 41 U.S.C. § 15 (the "Assignment of Claims Act"). To the best of my knowledge, there are no regulations promulgated pursuant to the Assignment of Claims Act which apply to such an assignment by the Borrower to the Administrative Agent.

4. Assuming due authorization, execution and delivery of each of the BPA Documents by the other parties thereto, each of the BPA Documents constitutes a legal and valid obligation of the BPA enforceable in accordance with its terms. The foregoing opinion with respect to enforceability is qualified as to:

(a) limitations imposed by, to the extent applicable, bankruptcy laws of the United States, insolvency, reorganization, arrangement, moratorium, or other laws relating to or affecting the enforcement of creditors' rights generally (under existing law, the BPA cannot be a debtor in a case commenced under the United States Bankruptcy Code);

(b) general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law; and

(c) the exercise of judicial discretion in appropriate cases and the limitations on legal remedies against the United States under Federal law (under existing law, the BPA is subject to suit for money damages in the United States Court of Federal Claims).

5. The execution and delivery by the BPA of each of the BPA Documents, the performance by the BPA of its obligations thereunder and the consummation by the BPA of the BPA Transactions contemplated thereby, including compliance with the provisions thereof applicable to the BPA, does not conflict with or constitute a breach of, or default under, any constitutional provision, law or administrative regulation, or under any judgment, decree, loan agreement, indenture, bond, note, resolution or other instrument to which the BPA is a party in effect as of the date hereof, or to which the BPA or any of its property or assets is subject.

6. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending, or, to the best of my knowledge, threatened, against the BPA affecting the existence of the BPA or the office of Administrator, or contesting or affecting the validity or enforceability of any of the BPA Documents; and to the best of my knowledge, there is no basis for any such action, suit, proceeding, inquiry, or investigation wherein an unfavorable decision, ruling or finding would materially adversely affect the validity, enforceability or performance by the BPA of any of the BPA Documents.

7. Stephen Wright is the Acting Administrator of the BPA, Mark Miller is the BPA contracting officer for the Curtailment Agreement, and Mike Caldwell is the disbursing officer of the BPA. By signing below, I acknowledge that each of Mark Miller or Stephen Wright and Mike Caldwell have received fully executed originals (or facsimiles with an agreement to send originals overnight) of each of the Assignment of Moneys Due and the Notice of Assignment and have acknowledged such receipt by executing the First Acknowledgment and the Second Acknowledgement, respectively. Assuming (i) the execution, delivery and performance of each of the Assignment of Moneys Due and the Notice of Assignment has been duly authorized by the Borrower and the Administrative Agent, as the case may be, and (ii) each of the Assignment of Moneys Due and the Notice of Assignment has been duly executed and delivered by the Borrower and the Administrative Agent, the Borrower and the Administrative Agent have taken all actions necessary to comply with the Assignment of Claims Act and the Borrower has effectively assigned to the Administrative Agent under the Assignment of Claims Act the rights to moneys due and to become due from the BPA to the Borrower and assigned by the Borrower to the Administrative Agent pursuant to the Assignment of Moneys Due.

8. Under the Tucker Act, the BPA is subject to the jurisdiction of the Court of Federal Claims. The so-called "non-appropriated funds" exception to the jurisdiction of the Court of Federal Claims under the Tucker Act does not apply to the BPA. Section 14 of the Curtailment Agreement, which contains provisions regarding governing law and dispute resolution, is enforceable in accordance with its terms. If there is an arbitration proceeding conducted pursuant to section 14 of the Curtailment Agreement and the arbitrators make an

award against the BPA for the payment of monies, such arbitrators' award is enforceable against the BPA. The United States Court of Federal Claims has jurisdiction to render judgment in money damages over claims against the United States founded upon express or implied contract. The BPA is part of an agency of the United States that is subject to such jurisdiction.

I disclaim any obligation to update this Opinion for events occurring after the date hereof.

Very truly yours,

A handwritten signature in black ink, appearing to read "Randy Roach", written in a cursive style.

Randy Roach
Acting General Counsel

Longview Aluminum Company, LLC

January 19, 2001

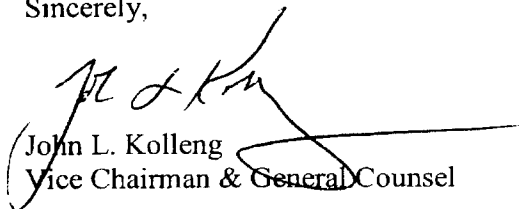
Mr. Stephen J. Wright
Acting Administrator
Bonneville Power Administration
905 N.E. 11th Avenue
Portland, OR 97232

Dear Mr. Wright:

As you know, Longview Aluminum Company, LLC (Longview Aluminum) and the Bonneville Power Administration (BPA) have executed a Curtailment Agreement pursuant to which Longview Aluminum, the Pacific Northwest steelworkers employed at the Longview Smelter, and BPA will share in the benefits created from the curtailment of power by Longview Aluminum at the Longview smelter through March 31, 2002.

As we indicated many times during our negotiations regarding the Curtailment Agreement, Longview Aluminum firmly believes that the long-term viability of the Longview smelter hinges on Longview Aluminum's ability to successfully finance, construct, and operate our own power supply resources. The Curtailment Agreement is but one step toward making our goal of the energy independence a reality. We believe our commitment to this goal is reflected in our pledge in the Curtailment Agreement not to argue in any legal or political forum that Longview Aluminum has a statutory right to, or should be allocated, any direct or indirect service of Federal power after September 30, 2006. We understand that Longview Aluminum's commitment to forego Federal power service after September 30, 2006 is important to other Pacific Northwest customers of BPA. In addition to our pledge in the Curtailment Agreement, Longview Aluminum stands ready to support legislation prohibiting BPA from serving, directly or indirectly, the Longview smelter or any other Pacific Northwest load of Longview Aluminum, or any other subsidiary or affiliate of Michigan Avenue Partners, after September 30, 2006.

Sincerely,



John L. Kolleng
Vice Chairman & General Counsel

JLK/rs

United States Senate

WASHINGTON, DC 20510

RECEIVED BY BPA ADMINISTRATOR'S OFC-LOG #: 2000.0482
RECEIPT DATE: 10.27.00
DUE DATE: 11.13.00

October 26, 2000

Judi Johansen, Administrator
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

ASSIGN: KR-7C

cc: A-7, D-7, K-7, KN/Wash, P-6, **PT-5**

Dear Administrator Johansen:

Recent price spikes in the West Coast electricity market have had devastating impacts on electricity-dependant sectors of the Northwest economy. This is especially the case for any entity that is exposed to the wholesale market. There are a variety of causes, but the flawed structure of the California market has been a significant contributor to this condition.

As you know, the aluminum industry has been particularly hard-hit by these higher costs. Hundreds of workers have lost jobs, and the uncertainty is threatening thousands more.

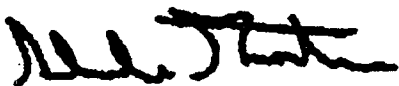
Recently, a company has announced its intent to purchase the aluminum smelter in Longview, Washington, a facility that employs over 900 people. This company—McCook Metals of Illinois—is a large aluminum producer and supplies key products to NASA and the Department of Defense.

The company proposes a novel approach toward its participation in the Northwest economy. McCook Metals is interested in developing its own generating resources and becoming independent of BPA after 2011. However, in order to accomplish this goal, McCook will need some creative help from Bonneville in the near term.

This proposal seems to have three distinct advantages. First, it helps assure the continued employment of the workers at the Longview smelter. Secondly, it could add a significant amount of electricity to the regional grid at a time when the Northwest power system is in deficit. And third, it would phase out a significant amount of load from BPA, when the power it markets is increasingly in demand from other entities with statutory preference.

We specifically want to avoid micro-managing BPA. However, if the proposal meets the advantages outlined above without impacting Northwest ratepayers, we urge you to support it and work to implement it.

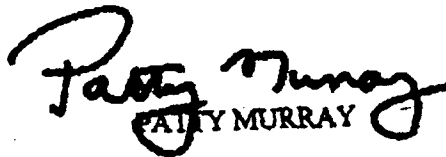
Sincerely,



SLADE GORTON



GORDON SMITH



PATTY MURRAY



RON WYDEN

This agreement (the "Agreement") made as of this 20th day of December 2000 by and between Michigan Avenue Partners LLC, a Delaware limited liability corporation with its principal place of business at 4900 First Avenue, McCook, Illinois, 60525, including any entity in which Michigan Avenue Partners (as well as any affiliate of Michigan Avenue Partners or any entity with which the principals of Michigan Avenue Partners is or becomes associated or affiliated with), directly or indirectly owns or controls a material interest (any of the foregoing singly or in combination "MAP") and the United Steelworkers of America ("USWA" or the "Union").

WHEREAS MAP has informed the USWA that it intends to purchase or otherwise gain control (a "Purchase") of the aluminum smelting facility located in Longview, WA from Alcoa/Reynolds ("Longview" or the "Company"); and

WHEREAS MAP has indicated that after it gains control of Longview, the Company will resell electric power available to it and use the net proceeds generated by such sales to secure the long-term future of Longview and achieve other mutual objectives of the parties;

NOW THEREFORE in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency the parties hereto acknowledge, the parties agree as follows:

1. The USWA shall support the above-described activity by MAP and provide assistance to MAP in negotiating with the Bonneville Power Administration ("BPA"), the Department of Energy, or any other agency to conserve the sale and resale of power by the Company.
2. In the event MAP purchases Longview and the Company directly or indirectly sells or resells electric power or takes any other actions such as but not limited to amending its contract with the BPA, buying or selling financial instruments whose underlying value is related to the price of power that would have the same or similar impact or be tantamount to the sale or resale of power (any of the foregoing singly or in combination a "Power Sale"), then the difference between the direct actual cost of the power that is sold and the gross proceeds received at any time from a Power Sale ("Net Proceeds") shall be used exclusively in the manner described below:

- A. During any Power Sale Period all Employees of Longview (defined as those employees represented by the USWA on the Longview employee roster as of the date of the closing of the Purchase) shall be provided with either: (i) the opportunity to work a regular workweek; or (ii) (a) Special Supplemental Payments ("SSP") so that their income (including State Unemployment Insurance, if available) will be equal to what it would have been had they been working a regular workweek

JB mmm
12/20/0

and (b) all benefits ("Benefits") that the employee would have received (as defined in the current collective bargaining agreement between the USWA and Alcoa/Reynolds as it applies to Longview) had the employee been employed on a regular, full-time basis. For the purposes of this Agreement, a regular workweek is defined as forty (40) straight time hours.

*Priority use
of the revenues*

The first use of the Net Proceeds, to the full extent required to satisfy the obligation described above, shall be to pay SSP and Benefits as described above.

For the purposes of this Agreement, a Power Sale Period is defined as any period in which Longview is operating at less than full capacity due, in whole or in part, directly or indirectly, to a Power Sale including but not limited to any period covered by an agreement with the BPA that involves curtailing Longview operations at any time from the date of this Agreement forward.

B. The remainder of the Net Proceeds shall, subject to the approval of the USWA, such approval to not be unreasonably withheld, be used for the following purposes:

*How is our
use provisions
circumvented by
these use
provisions?*

1. To cover or defray the fixed costs of continuing to operate and maintain the Longview Smelter including debt (principal and interest) directly related to Longview.
2. To invest in or otherwise create access to new generating capacity ("Generating Capacity") with such Generating Capacity used directly or indirectly to provide low-cost power to fully operate Longview in a long-term viable manner.
3. To defray that portion of the cost of purchased power that exceeds \$23.00 per megawatt hour.
4. Other purposes acceptable to the parties.

3. MAP shall be under no obligation to an Employee under paragraph 1 (A) above in the event and to the extent (i) that Employee does not avail himself/herself of call-back or reassignment under the terms of the collective bargaining agreement including, where reasonable under all of the circumstances, work offered on the construction of a power generation facility, or (ii) that Employee accepts full-time employment outside Longview.


*B mme
1/12/01*

4. The parties shall work together to structure a mutually acceptable and efficient way to structure the Purchase and Power Sales, including the ownership and capital structure of Longview and any new Generating Capacity.
5. This Agreement shall be interpreted and construed in accordance with the laws of the State of Illinois, excluding its choice of law provisions. Any dispute arising to or arising out of this Agreement, shall be heard by a state or federal court of competence located in the Northern District of Illinois.
6. This Agreement is the entire agreement between the parties relating to the subject matter contained herein. No modification or alteration of the terms contained in this Agreement shall be of any force or effect unless such modification or alteration is by mutual written agreement.
7. Failure of either party to enforce any of the provisions of this Agreement or any rights with respect thereto, or failure to exercise any election provided for herein, shall in no way be considered a waiver of such provisions, rights or elections in the future nor shall prejudice such party from later enforcing or exercising the same or any other provisions.
8. If any term or provision of this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not effect the other terms or provisions hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest possible extent the intent and agreements of the parties herein set forth.

IN WITNESS WHEREOF, the parties hereto, each by a duly authorized representative, have caused this Agreement to be executed on the date first mentioned above.

MICHIGAN AVENUE PARTNERS

UNITED STEELWORKERS OF AMERICA


Michael W. Lynch
Chairman


George Becker
International President

JB mm
2/26/00

UNITED STEELWORKERS OF AMERICA
Five Gateway Center
Pittsburgh, PA 15222



Ron Bloom
Special Assistant to the President

Phone: (412) 562-2260
Fax: (412) 562-2263
email: rbloom@uswa.org

FAX COVER SHEET

To: Michael Lynch
From: Ron Bloom
Date: January 4, 2001
Subject: Michigan Avenue Partners / Longview
Fax No: (708) 387-8940

There are 3 pages following this cover sheet.

A signed original is being mailed to you.

RB/dg
Attachment

MARK MILLER GREEN “McCOOK
NEGOTIAION” FILE

Basic deal with McCook

	\$200 market	
Feb -Sept	420MW x 8mo x 730hours x 77.50 =	\$ 190,092,000
180MW Q4+Q1	\$60m / 2 = \$30m	\$ 30,000,000
100MW Q4	\$16m / 2 = \$8m	<u>\$ 8,000,000</u>
		\$ 228,092,000
	McCooks number was	\$ 226,000,000

New deal with reductions in days and MWs

Feb - Sept	320MW x 8mo x 730hours x 77.5	\$ 144,832,000
minus \$ 595,200 per day x 10 days=	\$ 8,928,000	<u>\$ 8,928,000</u>
	New value for Feb- Sept	\$ 135,904,000
	Value for Q4-Q1 curtailments	<u>\$ 36,000,000</u>
		\$ 171,904,000

1/16/07

Mike, John, Harvey, Randy, Ron Bloom, Ted Smith
Steve O, Kurt, Doug H.

420

curtail total

Randy

Case ① (Feb-Sept 156) market

Feb-Sep 01 ^{#152} \$325m 420mw
Q4 ^{#190/mw} = \$100m 280mw
'02 ^{#95} = \$100m 180mw
'03 ^{#70} = \$60m 180mw
\$585m

McC \$292m (240)

BPA \$32m cash + ⁵¹280m credit
⁵²64 ⁵²208

Case ② Feb-Sept 01 \$325m 420mw
Q4 80 280mw
'02 80 180mw
'03 80 180mw

McC 267m \$535m

BPA 57 cash + 210m credit

Case ③ Feb-Sep 01 325 420mw
Q4 80 280mw
'02 80 180mw

\$485m

McC \$242m

BPA \$82m cash + 160 credit

155 smelter
75 JSSW
230

170 cash
60 credit

$$8 \times 730 \times \$200 \times 420$$

$$\begin{array}{r} 180 \\ \$4.42M \end{array}$$

$$\$80 \times 8mo \times 420mw = \$200M$$

$$\begin{array}{r} 195 \\ 248 \end{array}$$

$$\begin{array}{r} 251 \\ 191 \end{array} \text{ MLC}$$

$$420mw \times 8mo \times \overset{Net}{\$80} = \$200M$$

$$\$195 + \$60$$

Oliver deal market \$200 8mo

market value = \$400m (8mo)

Credit 24Q1 \$60m credit

Total value $\frac{460}{12}$

MLC \$230

BPA \$170m + \$60m in credit

$$235 \div 12 =$$

$$\begin{array}{r} 490 \\ 195 \\ \hline \end{array}$$

$$17.5$$

Feb

Sept

420

2

Q 4's

Q 1's

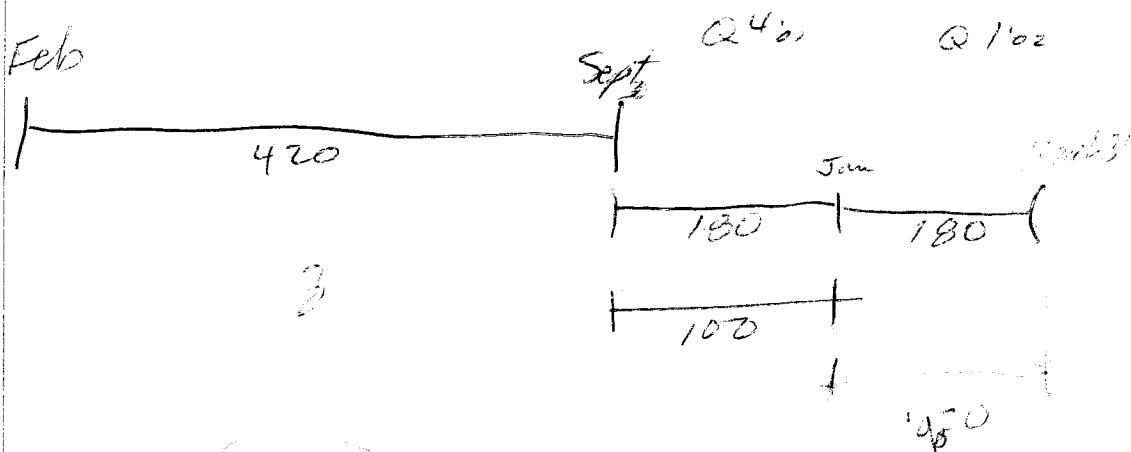
Jan

180

180

100

450



420 X 8 X 730 X #80 = 190m + #30m + 8m - #233m
 \$77.5 420mm 180mm 105mm
 100 100 77 50 24 + 21 24
 Feb - March
 total \$452m

12 equal monthly payment
~~152M~~ - 2 226M ✓
 Max

154 cash to BPA

\$18.00
per month to McCook

McCook wants

Fixed

agreement

If Alcoa selects floating and BPH hedges, and there are damages to unwind the hedge, Melord pays those damages.

- Issue
- most favourable
reside
- Index

- most favourable option @ CCCs
- resale
- Index

opportunity cost

12/1/00 McCook May
concentrate on B, C, D

? - McCooks time line

? - System Firm ^{Date certain} is concept
Randy Hardy is expounding

Spigal - Can we augment for
non-requirements
load?

- Core issue with the Exchange
options (B+C) is post 06
available of ~~the~~ surplus power

- Policy issue on accounting
for savings

⇒ all options require Rod Gays Hardy

- Thus may McCook will come in with an idea
of which option they are interested in -
may want clarity and other questions

INTERNAL USE ONLY

McCook and BPA Consider Potential Solutions

BPA Talking Points

October 31, 2000

These talking points provide background and general information about discussions between BPA and McCook Metals of Illinois regarding a conceptual approach for keeping the Longview aluminum smelter, currently owned and operated by Alcoa, economically viable. For more information, contact Mark Miller at (503) 230-4003.

Background

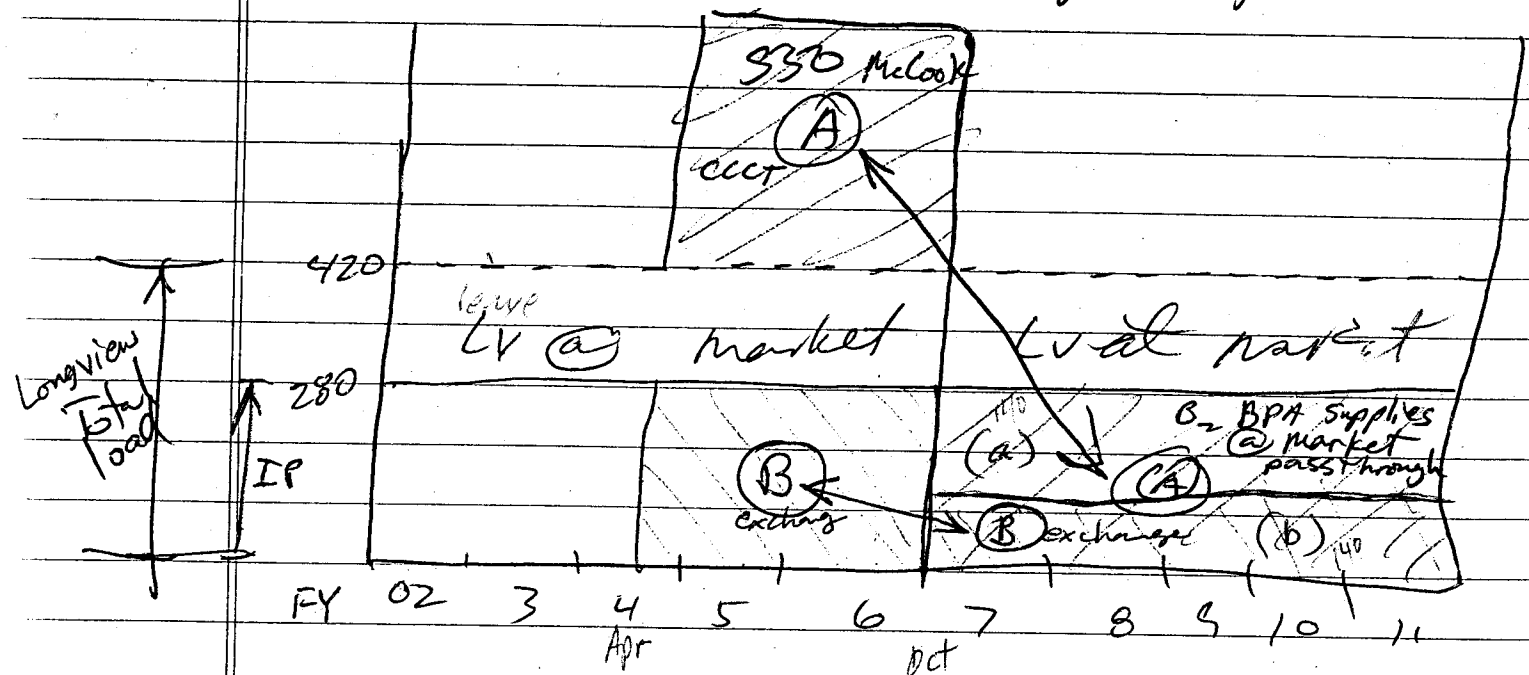
McCook Metals of Illinois has developed a process for producing an aluminum alloy that can be welded. This product has a potentially substantial application in aircraft manufacturing as it would do a way with the need to use rivets in aircraft construction. McCook would like to locate its production facility for this new alloy in the Northwest closer to major aircraft construction centers in Washington state and California. McCook Metals and BPA are discussing a conceptual approach for a power exchange between BPA and McCook that would help McCook secure financial backing so it could purchase Alcoa's Longview aluminum plant, modernize it and keep it operating competitively in the world market. This approach is intended to provide McCook with a stable power supply for a portion of its Longview load for a 10-year period, but end sales of industrial firm (IP) power to the Longview plant after September 30, 2006.

Messages

- There is no deal yet. BPA and McCook are in preliminary discussions to see if they can agree on a conceptual approach that would allow McCook to secure favorable financing to purchase and modernize Alcoa's Longview plant.
- BPA is interested in exploring creative solutions with the direct service industries that would help preserve jobs for Northwest aluminum workers without increasing costs to other BPA customers.
- Under all circumstances BPA's obligation to deliver exchange energy to McCook in the 2006-2011 period will be contingent on McCook either delivering power from its combustion turbine plant to BPA, or reducing its industrial firm power take on BPA in the 2002-2006 rate period.
- BPA and McCook are discussing a concept in which McCook would offer BPA the output from a new generation resource in the 2004-2006 timeframe in exchange for an equivalent amount of power in later years thus potentially reducing BPA's system augmentation costs in the upcoming rate period.
- If successful, this approach could introduce a new paradigm to the region which would eventually move DSI loads off of the federal system.

2552

Ex A Indicative Firm Exchange Agreement



① Exchange (indic quantities)

- ① MC provides BPA cccr output of 330mw for 30 mo Apr. 1, 04 thru Sept 30, 06

$$[330 \text{ at } 95\% \times 30 = 95 \text{ a mw}]$$

This power will be system firm

- ② BPA provides MC system power 280 @ 100LF for 60 months at 1.06 thru Sept. 30 011

$$[280 \text{ at } 100 \times 60 = 16800 \text{ a mw}]$$

③ Aft Exch and Market supply

- ① MC reduces its contract demand to zero for its 280mw BPA IP supply to Longview on April 1 2004 [amount allow]

- ③ MC continues to pay BPA the IP rate w/ an adj. (CRAC) April 1, 2004 - Sept 30 2006

- ④ BPA provides MC (a) flat 1.06 - Sept 30 011 [amw] and (b) BPA (140mw at Longview Subst at market rates under a rate schedule to be determined (potential (i))

- ① If MC does not complete cccr

* at no cost to other BPA customers

PATTON BOGGS LLP
ATTORNEYS AT LAW1860 Lincoln St.
Suite 1900
Denver, Colorado 80264
303-830-1776

Facsimile 303-894-9239

To: Randy Hardy
Jeff Smith
Fax Number: 509-536-4972
202-463-7466

Total Pages
Including Cover: 4

From: Nada Culver
Sender's Direct Line: 303-894-6141
Date: October 20, 2000
Client Number: 11293.101

Comments:

Attached are relevant sections from the Power Subscription Guide stating that contracts with DSIs will be no longer than 5 years – note that it refers to the limitation being included in the Supplemental Subscription ROD, as well.

ANCHORAGE
DALLAS
DENVER
NORTHERN VIRGINIA
SEATTLE
WASHINGTON, D.C.

Confidentiality Note: The documents accompanying this facsimile contain information from the law firm of Patton Boggs LLP which is confidential and/or privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this facsimile is strictly prohibited, and that the documents should be returned to this Firm immediately. If you have received this facsimile in error, please notify us by telephone immediately so that we can arrange for the return of the original documents to us at no cost to you.

If you did not receive all of the pages or find that they are illegible, please call 303-894-6141.

POWER SUBSCRIPTION GUIDE

BONNEVILLE POWER ADMINISTRATION

June 2000

Second, BPA is proposing to augment the approximately \$30 million available through the C&R Discount in two ways. BPA will designate the first \$15 million of any dividend resulting from greater than expected revenues (the Dividend Distribution Clause) toward additional conservation and renewable resource development. In addition, BPA has made the policy decision to review regional C&R Discount annual spending levels for renewable resource development. BPA expects regional spending to amount to \$6 million for renewable resource development. If this level is not reached, BPA will make direct investments in renewable resources to make up the shortfall. These investments will be made after consultation with regional interests.

Third, as mentioned earlier, BPA will reduce the risks assumed by customers purchasing renewable resources from third parties. BPA will accomplish this by allowing customers making contract purchases of eligible types of renewable purchases to return that load to requirements service at the PF-02 rate without a TAC, up to a total of 200 aMW. This approach permits BPA to support customer renewable market purchases consistent with the overall Subscription Strategy goals without additional direct investment.

5. Contract Elements

Bilateral Contract Negotiations

BPA intends to conduct bilateral negotiations with each of its customers to develop contracts that will establish the specific business relationship between each customer and BPA. BPA began by developing a contract "prototype," which included standardized provisions applicable across all or most customers and also options for customizing service. BPA led a public review of contract prototypes for several different classes and sub-classes of customers and used the comments to refine the prototypes so as to remove many issues from contention during bilateral contract negotiations. In all contracts, BPA and the customer will preserve their rights concerning emergency cost recovery through transmission rates.

Termination if Rates are Remanded

A termination provision is included in the contracts for all customer classes to address the potential hardship on customers if BPA is required to change rates after the final power rate proposal is presented to FERC for confirmation and approval. The provision will allow any customer to terminate its contract within a limited period of time only if, as a response to a FERC remand or court ruling, BPA establishes a rate that is higher for that particular customer than was established in the May 2000 power rates ROD. Under that circumstance, the customer will have a limited period of time within which to terminate its contract.

Contract Duration

BPA is providing several incentives for its customers to choose Subscription contracts of varying durations, to avoid having the contracts expire all at once, with the accompanying potential BPA revenue dropoff. Contracts of different durations will allow customers to purchase amounts of

BPA power under different terms and prices and thereby further their own diversification goals. Subscription contracts will be offered for most customers for durations ranging from three years to ten years. DSI contracts will be offered for five years. The 2002 power rate schedules provide rates for these various durations.

Five-Year Purchases

BPA's primary incentive to encourage customers to sign five-year contracts is the fixed five-year power rates established in the 2002 power rate case for the FY 2002-2006 rate period.

Purchases Shorter than Five Years

BPA's primary incentive to customers who choose to purchase at three-year rates is that BPA will, for these customers, take on the risk of load loss due to state-mandated retail open access.

Purchases Longer than Five Years

The Comprehensive Review recommended that BPA preserve its lowest cost-based rates for customers who make long-term purchase commitments. Purchases between five and ten years will include a contractual guarantee of power at the lowest applicable cost-based rate for the term of the commitment. (Specific rates for the FY 2007-2011 rate period will be set in a future section 7(i) rate proceeding and thus are not known now.)

In the Subscription Supplemental ROD, BPA decided to limit Subscription contracts to a maximum duration of ten years, except DSI contracts, which will be limited to five years. Limiting the majority of BPA's contracts to ten years allows the region to enter into regionalization discussions without predeciding the issues far beyond most groups' planning horizons. It is not practical to limit all contracts to five years, because that would increase BPA's revenue uncertainty by having all of its contracts expire exactly when many important financial uncertainties occur, including those arising from the Fish and Wildlife Funding Principles. Some products (specifically Slice) were designed with a minimum ten-year contract in mind.

Future Price Guarantees

BPA will not offer specific price guarantees for cost-based power purchases beyond the period covered by the FY 2002-2006 published rates. Customers who want such financial arrangements may purchase them from other providers in the market. Purchases under certain contracts that extend past the effective period of the 2002 power rates will be guaranteed to be served at BPA's lowest cost-based rate, the level of which will be set in a future rate case.

"Contract Lock"

Subscription contracts for all customers will include an Appropriations Refinancing clause, also known as the "contract lock." The contract terms will "lock in" the terms and conditions for repayment of the refinanced appropriations to BPA through September 30, 2011. The contract

Clark,Harry W - PTS

From: Ball,Crystal A - DKR
Sent: Thursday, November 17, 2005 2:04 PM
To: Clark,Harry W - PTS
Subject: FW: DOE Weekly & 30-60-90 search 8-00 to 2-01

From: Bonar,Lauren A - DKR
Sent: Thursday, November 17, 2005 1:56 PM
To: Ball,Crystal A - DKR
Subject: DOE Weekly & 30-60-90 search 8-00 to 2-01

Re: Harry Clark's request and searching the DOE Weekly/30-60-90 6 months prior to Feb 23 2001for "Longview" or "McCook"

I searched and found nothing for Longview or McCook in the W drive. However, the majority of the old reports are in WordPerfect, so this may have impacted the search results. I am not able to open any of the WordPerfect files since I don't have the software or any converters for Word.

Lauren Bonar
Regional Relations
Bonneville Power Administration
Phone (503) 230-7305
Fax (503) 230-4019

Clark, Harry W - PTS

From: Roadman, Val - PL
Sent: Tuesday, October 31, 2000 1:24 PM
To: Brost, Ed - PGC/Richland; Stier, Jeffrey K - KN-DC; Aho, Rodney - PSE; ANDERSON, BRENDA; Beede, C.T. - PSE/Missoula; BERWAGER, SYDNEY; BLOYER, DANIEL; BURNS, ALLEN; CLARKE JR., STUART; ELIZALDE, John; FITZSIMMONS, DAVID; FORMAN JR., CHARLES; Hustad, Kenneth H.-PSE/Spokane; INSLEY, GARY; Itami, Rick - PSE/Spokane; King, Larry D - PSE; KITCHEN, LAWRENCE; LAMB, WILLIAM; LE, NGA; LEATHLEY, KIMBERLY; LEBENS, JOHN; LINN, YOUNG; MILLER, MARK; MILLS, DAVID; NORMAN, PAUL; OLIVER, STEPHEN; ONEAL, Paul; PYRCH, KAREN; REICH, GEORGE; Rettenmund, Frederic D-PSE/Spk; Schimmels, Nancy M-PSE/Spokane; TETNOWSKI, SONYA; Thompson, Garry R -PSE/Spokane; Von Muller, Tom; WATTS, RUTH; WILSON, SCOTT; WYKOFF, ANGELA; CUSTER, Cindy; EVANS, BARTON; HUNT, KAREN; HUSTAD, CAROL; KUNTZ, Gail; MCFARLAND, MICHAEL; MORGADO, NICOLE; RELLER, Mark; STEWART, KYRA; SWEDO, ROBERT; TAVES, JOHN; WILLIAMS, JOHN; EASTMAN, Darrell; SHANK, ROBERT; SMITH, JOHN; TAWNEY, PATRICIA
Cc: Wright, Stephen J - K-7; McElhaney, Judy - D-7; Delwiche, Gregory K - PG-5; Newton, Tiffany - PG; Cherry, Diane - PSP; Keep, Barney - PSP; Arrington, ZoeAnne - PM-6; Jones, Cynthia L - PSP-5; Bleifuss, Edward L - PMM-5; Moorman, Geoffrey - PM-6; Hansen, Michael - KC; Mahar, Dulcy - KC-7; Moore, Hugh A - KC-7; Mosey, Edward - KC-7; Ball, Crystal A. - KN-DC; Seifert, Roger - KN; Carlson, Debbie - PGC/Richland; Latham, Dale - PS; Baker, Lynn W - KC-7; Pyrch, John - PN-1; BOME, SUZANNE; CAGE, CANDACE; Conley, Mick E. - PSE/Missoula; COPELAND, Dorothy; ERVAST, Yolanda; HYZER, PATRICIA; JEE, ROSE; LARSON, CHERYL; MONTAGUE, KAY; MOORE, LISA; PALMER, LINDA; PHELPS, JESSI; POLENSKE, JUDITH; Uhrich, Judy A - PSE; WILSON, SARAH; EADS, DONNA; HAGE, BONNIE; JAMES, Lorena; Jones, Sheron - KN; WELCH, Sheryl; SHELTON, VALERIE; ADLER, DAVID; BURGER, PETER; CASAD, KURT; HULL, GERIT; JOHNSON, TIMOTHY; MILLER, THOMAS; RUNZLER, KURT; VAN BUREN, MARYBETH; WESTENBERG, SARAH; WRIGHT, JON; CHENEY, Katherine; DEKLYEN, THOMAS; DOWTY, PHYLLIS; ROADMAN, VALERIE; ROEHM, JENNY; WHITNEY, CAROLINE
Subject: McCook Metals

This note is a follow up to the McCook Metals briefing John Elizalde and Carolyn Whitney gave some of you at this morning's cross-hub call. It's taking a little longer to obtain approval on the talking points so per Carolyn Whitney, DO NOT TALK ABOUT THIS OUTSIDE BPA UNTIL YOU GET THE TALKING POINTS AND CONTACT LIST TOMORROW. For those not on this morning's call, below is a little background information.

Background

McCook Metals of Illinois has developed a process for producing an aluminum alloy that can be welded. This product has a potentially substantial application in aircraft manufacturing as it would do a way with the need to use rivets in aircraft construction. McCook would like to locate its production facility for this new alloy in the Northwest closer to major aircraft construction centers in Washington state and California. McCook Metals and BPA are discussing a conceptual approach for a power exchange between BPA and McCook that would help McCook secure financial backing so it could purchase Alcoa's Longview aluminum plant, modernize it and keep it operating competitively in the world market. This approach is intended to provide McCook with a stable power supply for a portion of its Longview load for a 10-year period, but end sales of industrial firm (IP) power to the Longview plant after September 30, 2006.

cc

United States Senate

WASHINGTON, DC 20510

October 26, 2000

Judi Johansen, Administrator
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

Dear Administrator Johansen:

Recent price spikes in the West Coast electricity market have had devastating impacts on electricity-dependent sectors of the Northwest economy. This is especially the case for any entity that is exposed to the wholesale market. There are a variety of causes, but the flawed structure of the California market has been a significant contributor to this condition.

As you know, the aluminum industry has been particularly hard-hit by these higher costs. Hundreds of workers have lost jobs, and the uncertainty is threatening thousands more.

Recently, a company has announced its intent to purchase the aluminum smelter in Longview, Washington, a facility that employs over 900 people. This company—McCook Metals of Illinois—is a large aluminum producer and supplies key products to NASA and the Department of Defense.

The company proposes a novel approach toward its participation in the Northwest economy. McCook Metals is interested in developing its own generating resources and becoming independent of BPA after 2011. However, in order to accomplish this goal, McCook will need some creative help from Bonneville in the near term.

This proposal seems to have three distinct advantages. First, it helps assure the continued employment of the workers at the Longview smelter. Secondly, it could add a significant amount of electricity to the regional grid at a time when the Northwest power system is in deficit. And third, it would phase out a significant amount of load from BPA, when the power it markets is increasingly in demand from other entities with statutory preference.

We specifically want to avoid micro-managing BPA. However, if the proposal meets the advantages outlined above without impacting Northwest ratepayers, we urge you to support it and work to implement it.

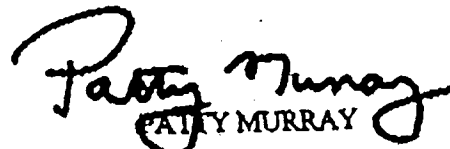
Sincerely,



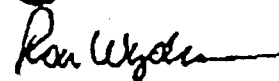
SLADE GORTON



GORDON SMITH



PATTY MURRAY



RON WYDEN

UNITED STEELWORKERS OF AMERICA
Five Gateway Center
Pittsburgh, PA 15222



Ron Bloom
Special Assistant to the President

Phone: (412) 562-2260

Fax: (412) 562-2263

email: rbloom@usa.org

FAX COVER SHEET

To: Michael Lynch
From: Ron Bloom
Date: January 4, 2002
Subject: Michigan Avenue Partners / Longview
Fax No: (708) 387-8940

There are 3 pages following this cover sheet.

A signed original is being mailed to you.

RB/dg
Attachment

This agreement (the "Agreement") made as of this 20th day of December 2000 by and between Michigan Avenue Partners LLC, a Delaware limited liability corporation with its principal place of business at 4900 First Avenue, McCook, Illinois, 60525, including any entity in which Michigan Avenue Partners (as well as any affiliate of Michigan Avenue Partners or any entity with which the principals of Michigan Avenue Partners is or becomes associated or affiliated with), directly or indirectly owns or controls a material interest (any of the foregoing singly or in combination "MAP") and the United Steelworkers of America ("USWA" or the "Union").

WHEREAS MAP has informed the USWA that it intends to purchase or otherwise gain control (a "Purchase") of the aluminum smelting facility located in Longview, WA from Alcoa/Reynolds ("Longview" or the "Company"); and

WHEREAS MAP has indicated that after it gains control of Longview, the Company will resell electric power available to it and use the net proceeds generated by such sales to secure the long-term future of Longview and achieve other mutual objectives of the parties;

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency the parties hereto acknowledge, the parties agree as follows:

1. The USWA shall support the above-described activity by MAP and provide assistance to MAP in negotiating with the Bonneville Power Administration ("BPA"), the Department of Energy, or any other agency to consent to the sale and resale of power by the Company.
2. In the event MAP Purchases Longview and the Company directly or indirectly sells or resells electric power or takes any other actions such as but not limited to amending its contract with the BPA, buying or selling financial instruments whose underlying value is related to the price of power that would have the same or similar impact or be tantamount to the sale or resale of power (any of the foregoing singly or in combination a "Power Sale"), then the difference between the direct actual cost of the power that is sold and the gross proceeds received at any time from a Power Sale ("Net Proceeds") shall be used exclusively in the manner described below:

- A. During the Power Sale Period all Employees of Longview (including those employees represented by the USWA on the Longview employee roster as of the date of the closing of the Purchase) shall be provided with either: (i) the opportunity to work a regular workweek; or (ii) (a) Special Supplemental Payments ("SSP") so that their income (including State Unemployment Insurance, if available) will be equal to what it would have been had they been working a regular workweek

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and (b) all benefits ("Benefits") that the employee would have received as defined in the current collective bargaining agreement between the USWA and Alcoa/Reynolds as it applies to Longview had the employee been employed on a regular, full-time basis. For the purposes of this Agreement, a regular workweek is defined as forty (40) straight time hours.

*Priority in
of the revenues*

The first use of the Net Proceeds, to the full extent required to satisfy the obligation described above, shall be to pay SSP and Benefits as described above.

For the purposes of this Agreement, a Power Sale Period is defined as any period in which Longview is operating at less than full capacity due, in whole or in part, directly or indirectly, to a Power Sale including but not limited to any period covered by an agreement with the BPA that involves curtailing Longview operations at any time from the date of this Agreement forward.

B. The remainder of the Net Proceeds shall, subject to the approval of the USWA, such approval to not be unreasonably withheld, be used for the following purposes:

*How is our
use provisions
circumvented by
these use
provisions?*

1. To cover or defray the fixed costs of continuing to operate and maintain the Longview Smelter including debt (principal and interest) directly related to Longview.
2. To invest in or otherwise create access to new generating capacity ("Generating Capacity") with such Generating Capacity used directly or indirectly to provide low-cost power to fully operate Longview in a long-term viable manner.
3. To defray that portion of the cost of purchased power that exceeds \$23.00 per megawatt hour.
4. Other purposes acceptable to the parties.

3. MAP shall be under no obligation to an Employee under paragraph 1 (A) above in the event and to the extent (i) that Employee does not avail himself of call-back or reassignment under the terms of the collective bargaining agreement including, where reasonable under all of the circumstances, work offered on the construction of a power generation facility, or (ii) that Employee accepts full-time employment outside Longview.

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4. The parties shall work together to structure a mutually acceptable and efficient way to structure the Purchase and Power Sales, including the ownership and capital structure of Longview and any new Generating Capacity.
5. This Agreement shall be interpreted and construed in accordance with the laws of the State of Illinois, excluding its choice of law provisions. Any dispute arising to or arising out of this Agreement, shall be heard by a state or federal court of competence located in the Northern District of Illinois.
6. This Agreement is the entire agreement between the parties relating to the subject matter contained herein. No modification or alteration of the terms contained in this Agreement shall be of any force or effect unless such modification or alteration is by mutual written agreement.
7. Failure of either party to enforce any of the provisions of this Agreement or any rights with respect thereto, or failure to exercise any election provided for herein, shall in no way be considered a waiver of such provisions, rights or elections in the future nor shall prejudice such party from later enforcing or exercising the same or any other provisions.
8. If any term or provision of this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not effect the other terms or provisions hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

IN WITNESS WHEREOF, the parties hereto, each by a duly authorized representative, have signed this Agreement to be executed on the date first mentioned above.

MICHIGAN AVENUE PARTNERS

UNITED STEELWORKERS OF AMERICA

Michael W. Lynch
Michael W. Lynch
Chairman

George Becker
George Becker
International President

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2/26/00

UNITED STEELWORKERS OF AMERICA

DISTRICT 11
MINNEAPOLIS, MN

Rec'd 01-14-02

DATE: JANUARY 11, 2002

TO: MARK MILLER, BPA

RE: FOR YOUR INFORMATION

FROM: DAVID FOSTER

02/20/01 18:18 FAX 202 942 5999

A & P FAX CTR DC #8

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MICHIGAN AVENUE PARTNERS
4900 First Avenue
McCook, Illinois 60523-1794
312.345.9800
FAX 708.387.8919

February 18, 2001

Mr. David A. Foster, Director
USWA - District 11
2829 University Avenue, SE
Suite 100
Minneapolis, MN 55414

Dear Mr. Foster:

This Letter of Understanding ("LOU II") is by and between Michigan Avenue Partners, L.L.C. ("MAP") and the United Steelworkers of America ("USWA"). This LOU II provides for detailed application of the parties' Agreement of December 20, 2000 ("December 20 Agreement") and their Letter of Understanding ("LOU") of January 19, 2001 ("LOU I"). It also sets forth other agreements between the parties. All capitalized terms herein have the same meaning ascribed to them in the December 20 Agreement and/or LOU I. As soon as practicable after execution of this LOU II and the closing of the Purchase (the "Closing"), the parties shall re-state the December 20 Agreement, LOU I and LOU II into a single document.

In consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

1. Obligations of MAP.

MAP shall perform or cause to be performed all promises contained herein whether stated as those of MAP, Longview Aluminum, LLC ("Longview Aluminum"), McCook Metals, L.L.C. ("McCook Metals"), Great Lakes Metals LLC or Scottaboro Aluminum, L.L.C. ("Scottaboro Aluminum").

2. Employees of Longview Aluminum.

- (a) Options for Immediate Retirement-Eligible Individuals Employed by Reynolds: Individuals who: (x) are employees of Reynolds as of January 1, 2001 (as the term employee is defined in the Current CBA); (y) have not retired from

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Reynolds as of that date; and (z) would be eligible, as of the Closing, to retire on an immediate pension under the Reynolds hourly pension plan; shall have the following options:

- (I) 30-Day Grace Period and \$25,000 Payment: In the event said individual chooses on or prior to the thirtieth (30th) day following the Closing to retire under the Reynolds hourly pension plan effective at or prior to the Closing, s/he shall receive a \$25,000 one-time payment from Longview Aluminum by no later than March 21, 2001, and therefore, under paragraph (b) below, shall not be employed by Longview Aluminum beyond the thirtieth (30th) day following the Closing, or
- (II) In the event said individual does not choose prior to the thirtieth (30th) day following the Closing to retire under the Reynolds hourly pension plan at or prior to or effective upon the thirtieth (30th) day following the Closing, s/he shall be offered employment by Longview Aluminum in accordance with paragraph (b) below. Longview Aluminum agrees to create and administer a Voluntary Employees' Beneficiary Association (VEBA) for the exclusive benefit and purpose of paying the retiree insurance benefits of these individuals upon their retirement. Longview Aluminum shall fund said VEBA with an amount equal to the FAS 106 liability associated with these individuals ("FAS 106 Liability") by depositing 33 1/3% of the FAS 106 Liability into the VEBA by no later than June 30, 2001, 33 1/3% by no later than September 30, 2001, and the remaining 33 1/3% no later than December 31, 2001. The VEBA shall in no way reduce the obligation of Longview Metals for payment of retiree insurance. Individuals choosing this option shall be required to agree that, at any time they elect to retire under the Reynolds pension plan, they shall retire from Longview Aluminum as well.
- (b) In LOU I, MAP agreed that in the event it completes the Purchase, Longview Aluminum will offer employment, under the terms and conditions of the currently existing collective bargaining agreement between Reynolds Metals Company (Longview Plant) and the Longview Federated Aluminum

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Council ("LFAC") to all individuals who were employees of Longview as the term employee is defined in the Current CBA as of January 1, 2001, and who did not quit, die, or retire prior to the Closing ("Employees").

- (c) Attached to this LOU II is Exhibit A listing all such Employees and showing, by operational unit or department, each such Employee's clock number, incumbent job, the job classification and basic wage rate, and payroll status as of the closing of the Purchase (that is, whether active, on vacation, laid off, workers' compensation, sickness and accident, family and medical leave, military leave, or other).

3. Escrow Account.

- (a) Establishment: In furtherance of their previous understandings, Longview Aluminum will establish a dedicated bank account in the name of Longview Aluminum ("Company Proceeds Account") with The Bank of America or such other bank as designated by Longview Aluminum ("Bank") for the sole purpose of receiving BPA payments for the fulfillment of Longview Aluminum's obligations to the USWA under this LOU II. The USWA will have a security interest in the Company Proceeds Account in the form of a first priority lien (with the Company granting no other lien on this account to any other entity). As soon as practicable, and effective upon the closing of the Purchase ("Closing"), Longview Aluminum and the USWA will jointly establish a bankruptcy-proof entity administered by a trustee mutually chosen by the parties (hereinafter, "Escrow Account"). The purpose of the Escrow Account shall be: (I) between the Closing and March 31, 2002, to secure funding for the Special Supplemental Payments (SSP's) and Benefits necessitated by the Curtailment Agreement between Longview Aluminum and BPA ("Power Curtailment Agreement") dated February 6, 2001 and the December 20 Agreement (as well as straight-time wages, COLA, and holiday pay earned by Employees who work between the Closing and March 31, 2002), and (II) to provide for enhanced SUB or other benefits above and beyond those required by the new CBA for Employees still on layoff on March 31, 2002, in a manner reasonably designated by the USWA (all such amounts in subparagraphs (I) and (II) hereinafter referred to as "Escrow Account Distributions"). By

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virtue of the wire instructions provided to the Bank at the time the Company Proceeds Account is established, funds received into the Company Proceeds Account from the BPA will be immediately wired to the Escrow Account. Longview Aluminum agrees that its Bridge Loan arrangements shall fully permit the performance of its obligations relating to the Escrow Account and shall not provide for a security interest in any amounts to be part of the Escrow Account. No part of the principal of the Escrow Account shall be used by Longview Aluminum for any purpose other than the payment of Escrow Account Distributions until and unless the Escrow Account is terminated in accordance with 4(j) below. The Escrow Agent shall regularly pay the interest earned on the Escrow Account to Longview Aluminum. Counsel for the Escrow Account shall be Arnold & Porter and shall be compensated by Longview Aluminum, it being understood that, once the Escrow Account has been established and is operating normally, such legal fees for maintenance of the Escrow Account (exclusive of unexpected items such as litigation) shall be limited to no more than \$25,000 per year.

- (b) Initial Funding: The parties acknowledge that, at the time of their December 20 Agreement, they contemplated that the Net Proceeds from a Power Sale by Longview Aluminum to BPA would consist of a lump sum at or near the Closing and that such an arrangement would have permitted funding of the Escrow Account in a single payment. The parties recognize that the final Curtailment Agreement calls for the Net Proceeds of \$228 million (subject to potential adjustments) to become available to Longview Aluminum in 12 monthly installments, the first to be paid to Longview Aluminum on March 20, 2001. Accordingly, MAP agrees to fund the Escrow Account with an initial deposit at the Closing of \$2 million. For the period from Closing through March 20, 2001, payments of SSP's, Benefits (other than employer contributions for accruing pension benefits), and wages and compensation for hours worked shall be made directly to Employees, that is, without passing through the Escrow Account as Escrow Account Distributions.
- (c) Computation of Escrow Amount: (x) Within the two (2) weeks following the closing of the Purchase, the parties shall jointly determine the maximum liability for SSP's and Benefits (other

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than for accruing pension benefits) ("MLSB") representing the obligations that MAP would have for SSP's and Benefits (other than employer contributions for accruing pension benefits) if no Employee were to work between the Closing and March 31, 2002. The MLSB shall be computed as follows:

- (i) For each Employee on Exhibit A, the computation shall begin with the straight-time wage of the job classification of the employee's job as of the Closing of the Purchase (or the normal operating day nearest to Closing) (to which shall be added COLA and holiday pay);
 - (ii) The number in (i) shall be multiplied by 40 hours;
 - (iii) The number in (ii) shall be multiplied by the number of weeks or partial weeks between the Closing and March 31, 2002;
 - (iv) The calculations for all Employees under items (i) through (iii) shall be aggregated;
 - (v) The resulting sum shall be increased by the expected obligation of MAP for the Benefits (other than employer contributions for accruing pension benefits) that the Employees would have received (as defined in the current CBA) had the employee been employed for 40 straight time hours; and
 - (vi) That resulting sum shall be decreased by an amount equal to the total payments that Employees could be expected to receive in the form of unemployment compensation prior to March 31, 2002, and that figure shall be the MLSB.
- (d) Funding (Including Obligation for Pension Funding) Prior to March 31, 2002:
- (i) Beginning effective March 20, 2001, and continuing on the twentieth of each month thereafter (or, when the twentieth of the month is not a business day, the first business day following the twentieth), Longview Aluminum shall cause to be immediately transferred to the Escrow Account one-twelfth of the [MLSB minus the

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amounts referred to in the last sentence of paragraph (b) above] ("one twelfth amount.")

- (ii) In addition, by no later than April 20, 2001, Longview Aluminum shall cause to be immediately transferred to its Hourly Defined Benefit Pension Plan an amount equal to its expected pension contribution for pension benefits that accrued to Employees from the Closing through March 31, 2001. On May 20, 2001, and continuing on the twentieth of each month thereafter (or, when the twentieth of the month is not a business day, the first business day following the twentieth), Longview Aluminum shall cause to be immediately transferred to its Hourly Defined Benefit Pension Plan an amount equal to its expected pension contributions for pension benefits that accrued to Employees in the prior month.
- (iii) The obligations of Longview Metals to the Escrow Account described above in (i) and (ii) shall cease on March 31, 2002. In the event Longview Aluminum elects, subject to the USWA's approval as provided in Section 6 below, to re-sell power from April 1, 2002 through June 30, 2002, the parties shall mutually agree to fund and extend the Escrow Account consistent with the number of employees on lay-off in relation to the amount of power sold. The funding of the extended Escrow Account shall be in accordance with the formulas used in paragraph 3 of this LOU II.
- (iv) To streamline the flow of funds, Longview Aluminum shall seek agreement from the BPA for BPA to send the one-twelfth amount and pension contributions (as described in d (ii) above) directly to the Escrow Account and Pension Fund, respectively without its having to pass through the Company Proceeds Account.
- (e) Modification of Curtailment Agreement: The parties recognize that the funding contemplated by subparagraphs (b) and (d) above is based on the Curtailment Agreement. MAP recognizes that any change in the Curtailment Agreement which is of a material nature or affects the stream of payments to the Escrow Account: (i) shall be reasonably acceptable to the USWA; and (ii) shall necessitate changes in

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the funding arrangements, such changes to be negotiated between the parties.

- (f) Governing Document: As soon as practicable following the Closing, Arnold & Porter shall prepare the governing document of the Escrow Account, whose terms and conditions shall be subject to mutual agreement by the parties.
- (g) Distributions from Escrow Account: The parties shall agree on reasonable procedures by which the Escrow Trustee shall receive payment instructions, issue reports of proposed payments, and provide the USWA and Longview Aluminum with adequate opportunities to monitor the activity of the Escrow Account. Except as provided in the last sentence of paragraph 3 (b), it is understood that Escrow Account Distributions shall include straight time wage, COLA, and holiday pay payments to Employees who work in the period between the closing and March 31, 2002, and such Escrow Account distributions shall be supplemented by Longview Aluminum with regular payroll funds not passing through the Escrow Account for amounts that may be owed to working Employees such as overtime, shift differential, premium pay, etc. It is understood between the parties that Longview Aluminum shall deduct applicable union dues from SSP's.
- (h) Escrow Account After March 31, 2002: On March 31, 2002, the purpose of the Escrow shall shift to providing for enhanced SUB or other benefits above and beyond those required by the New CBA, for Employees still on layoff as of that time, and such benefits shall be determined in a manner reasonably designated by the USWA, subject to the following:

1. Amount - The lesser of:

- (i) (a) \$10 Million minus
- (b) the amount by which the FASB 106 Liability (associated with the individuals referred to in paragraph 2(a)(ii) above) exceeds [the product of (x) \$25,000 multiplied by (y) the number of individuals covered by the VEBA described in paragraph 2(a)(ii) above] ("Excess FASB Liability"); and

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(II) the product of

- (a) the number of Employees reasonably expected to be on layoff for an extended period of time multiplied by
- (b) \$50,000; with the resulting product also being reduced by the Excess FASB 108 Liability

(the lesser of the two amounts in (I) and (II) above reduced by the balance in the Escrow Account after making any payments accrued as of March 31, 2002 to be referred to hereinafter as the "Amount").

2. Funding - An initial payment of 37.5 Percent of the Amount shall be made by Longview Aluminum to the Escrow Account on April 1, 2002. A second payment of 62.5 Percent of the Amount shall be made by Longview Aluminum to the Escrow Account on July 31, 2002. The obligations described in this Section 3(h) above are separate and apart, and in addition to, any additional payments to the Escrow Account required by an agreement not to return to a 280 MW level of operations on April 1, 2002.

- (l) Trade Readjustment Act (TRA) Benefits and Voluntary Layoff Program: The parties agree to work together to obtain Trade Readjustment Act (TRA) benefits. In the event they are successful, Longview Aluminum shall be permitted to offset an individual's SSP's by the amount of that individual's TRA benefits, provided that, on April 1, 2002, Longview Aluminum shall contribute to the Escrow Account an amount equal to 50% of all TRA benefits received or to be received by Employees, and such contribution shall be in addition to the obligations set forth in (h) above and used for the purposes described therein. In addition, the parties shall adopt a program of Voluntary Layoffs (VLO) covering any period when Longview is operating at less than full capacity.
- (j) Termination: The Escrow Account shall terminate when all of its assets have been paid to or for the benefit of Employees.
- (k) Payroll Administration: Longview Aluminum agrees that it will administer the payroll status of Employees and schedule the working

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periods and layoffs of Employees in a manner that assures that each Employee will, as of April 1, 2002, be eligible for a full complement of unemployment compensation benefits.

4. MAP Commitment To Build Power Generation Facility.

- (a) The parties recognize that, in addition to selling power under the Curtailment Agreement, Longview Aluminum has been able to acquire only a 280 megawatt commitment for Longview from the BPA for the period October 1, 2001, through September 30, 2006. In addition, Longview Aluminum acknowledges that it has committed to BPA to take no BPA power beyond September 30, 2006.
- (b) Accordingly, and recognizing the importance of continued access to low-cost power at Longview to the maintenance of jobs at Longview, MAP commits to the USWA that it will, by no later than July 1, 2001, cause fully-permitted construction to begin on one or more combined-cycle natural gas-fired generation facilities (singly or in combination, the "Facility"). The parties recognize that MAP may raise financing for the Facility by various means and from various sources. Without limiting the range of its possible alternatives, MAP agrees that, if it is necessary to complete the financing, MAP shall make an equity investment of up to \$35 million from its own funds. The Facility shall be scheduled for completion and be completed by September 30, 2003, except in case of force majeure. Further MAP shall make every possible effort to obligate the facility to provide Longview with sufficient low-cost electric power (no more than \$26.00 per megawatt-hour) for Longview, in a normal business environment, to operate fully and profitably for at least 15 years.

5. Guarantee To Re-Start Longview Upon Phase-Out of Curtailment Agreement.

MAP acknowledges that there will be a curtailment of BPA power availability following the Closing, that it has made the "work or 40-hours' pay and benefits" promises of the December 20 Agreement, LOU I, and this LOU II, and that effective April 1, 2002, unless the USWA gives its consent to a lower operating rate (such consent not to be unreasonably withheld), Longview Aluminum will take 280 MW on every hour of such BPA power and use all such power to increase smelting operations at Longview, employing the number of

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bargaining unit employees reasonably associated with operation at that power level.

6. Covenants.

MAP covenants with the USWA as set forth in Exhibit B.

7. Lien To Secure Employment/Retirement-Related Expenses in Event of Permanent Shutdown.

- (a) No later than September 20, 2001, Longview Aluminum shall grant to the USWA a perfected security interest in the form of a second lien ("USWA Lien") in all of the Longview Plant facilities, equipment and related personal property (not to include the ground lease, accounts receivable, and inventory) subject in priority only to (x) prior to March 31, 2002, Liens that secure the Bridge Loan and (y) after March 31, 2002 Liens that secure senior indebtedness not in excess of \$30 million in the aggregate. The amount of the obligation secured by the USWA Lien shall be equal to the greater of: (i) the estimated total cost of SUB, severance, employee health and life insurance, pensions, and OPEB in the event of a permanent shutdown of Longview, such cost to be calculated as if Reynolds had shut down Longview on the Closing; or (ii) \$50 million; in either event with the parties intending the OPEB to be a benefit vested against unilateral change by Longview Aluminum for the lifetimes of each Employee or retiree eligible for or receiving an immediate pension (and lifetime of any spouse eligible to receive or receiving a surviving spouse benefit based on such pension) from the pension plan of Longview Aluminum. The parties agree that as soon as practicable after the Closing they shall enter into definitive agreements with respect to the USWA Lien setting forth commercially reasonable terms relating thereto.
- (b) The parties acknowledge the existence and terms of the Bridge Loan borrowed by Longview Aluminum. Longview Aluminum covenants with the USWA that it will, by no later than March 31, 2002, pay down to \$30 million or less its indebtedness under the Bridge Loan (and not re-borrow). The USWA Lien shall expire upon the latest of:

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- (i) five years from the date of the Closing;
- (ii) the Facility is fully operational in a manner consistent with the obligations outlined in paragraph 4 above; and
- (iii) Longview Aluminum has operated profitably for at least six consecutive quarters.

8. Professional Fees.

The parties agree that the only fees and/or expenses to be paid by Longview Aluminum or any related entities in connection with the Purchase shall be those enumerated on Exhibit C hereto. In no event shall said fees and/or expenses include any direct or indirect payment or other consideration to MAP.

MAP recognizes that the investment banking and legal representatives of the USWA have made and will continue to make a substantial contribution to the strategy, elements, design, and implementation of the Purchase of Longview. Pursuant to separate letters of understanding attached hereto, Longview Aluminum will pay the outside investment banking and legal fees and expenses of the USWA for services rendered in connection with the Purchase, related documentation and implementation, including that involving the Escrow Account and USWA lien, and other work related to the Purchase as set forth in the engagement letters by and between the USWA and its investment banking and legal services firms and which are attached as Exhibit C.

9. Collective Bargaining Matters.

- (a) Bargaining Process for 2001: MAP, McCook Metals, Longview Aluminum, and the USWA confirm that they will conduct contract reopener negotiations for contract changes which changes may be effective no earlier than May 31, 2001, and running through the May 31, 2002, expiration dates of the current CBA's. Within thirty (30) days following the Closing, McCook Metals, Longview Aluminum, and the USWA shall design a procedure for reopener bargaining to commence on or before May 1, 2001. Such procedure shall include, if the parties are unable to reach agreement by thirty days after commencement of such bargaining, final-offer interest arbitration in lieu of any strike or lockout. Such reopener

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bargaining for McCook Metals and Longview Aluminum shall be conducted by the parties at a common location, and bargaining for the CBA's to follow the successor CBA's shall take place at a common location for McCook Metals, Longview Aluminum and Scottsboro Aluminum.

(b) Bargaining Process in 2002:

- (i) Expiration Date Co-Extensive with that of Scottsboro Aluminum: This sub-paragraph will be applicable to Scottsboro only in the event of a Closing of Longview Aluminum closes. In connection with bargaining for a successor collective bargaining agreement to the current collective bargaining agreement at Longview and that of McCook Metals ("Successor CBA's"), MAP, McCook Metals, Longview Aluminum, and the USWA agree that such bargaining for Successor CBA's shall take place at a common location. At its sole option, the Union may designate, and the Company will accept without condition, an expiration date in the Successor CBA's identical to the then-current expiration date of the CBA between Scottsboro Aluminum and the USWA. Effective with the Successor CBA's, the expiration date in the Scottsboro Aluminum CBA shall not be amended without the approval of the President of the USWA.
- (ii) Expiration Date Beyond that of Scottsboro Aluminum: This sub-paragraph will be applicable to Scottsboro only in the event of a Closing of Longview Aluminum closes. In 2002 bargaining in which the USWA does not exercise its option under subparagraph (b)(i) above, if the parties consider agreeing to Successor CBA's having a termination date beyond the then-current expiration date of the CBA between Scottsboro Aluminum and the USWA, they shall immediately invite their Scottsboro Aluminum representatives to join in that bargaining for the purpose of reaching an agreement at Scottsboro Aluminum that is co-terminus with the agreements at McCook Metals and Longview Aluminum.

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10. Enforcement.

- (a) (I) In the event of an alleged violation of the provisions of the December 20 Agreement, LOU I, or this LOU II, the party claiming the violation shall present a written statement of position to an authorized representative of the other party. The authorized representative(s) of the USWA shall be the USWA Staff Representative for the location at which the alleged violation has arisen. The authorized representative of MAP shall be the head of labor relations of the MAP affiliate at which the alleged violation has arisen. Within seven (7) calendar days from the date the statement of position is received by the party complained against, the representatives of the parties shall confer over the alleged violation and seek to resolve it. In the event the dispute remains unresolved on the seventh (7th) day following receipt of the statement of position, the District Director for the District in which the alleged violation has arisen (or his designee) and a MAP principal (or his designee) shall within the next seven (7) days confer over the matter, seek resolution of it, and discuss whether they wish to submit the dispute to arbitration.

(II) In the event the dispute remains unresolved on the fourteenth (14th) day following receipt of the statement of position, and Longview Aluminum and the USWA do not enter into a special agreement to arbitrate the dispute under paragraph 10 (a) above, then the aggrieved party may commence a civil action in a court of competent jurisdiction and, notwithstanding any contrary agreement between MAP or any MAP affiliate and either the USWA or LFAC (other than a special arbitration agreement referred to above), the dispute shall not be subject to any grievance or arbitration procedure(s).

- (b) MAP recognizes that USWA has entered into the December 20 Agreement, the LOU I, and this LOU II only upon the express assurances contained therein. Accordingly, the parties jointly agree that nothing in this LOU II, LOU I nor the December 20, 2000 agreement shall be construed as any limitation on the right of either party to obtain an order for specific performance or injunctive relief in the event of a breach of any material assurances contained in such agreements.

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11. Parties To Obtain LFAC Agreement Paralleling Portions of This LOU II. MAP, Longview Aluminum, and the USWA shall cooperate to secure, no later than the Closing, a written agreement between LFAC and Longview Aluminum whereby they agree to the following understandings (conditional only upon and effective with the Closing):

(a) that Longview Aluminum recognize LFAC, and that LFAC in turn agree to be recognized by Longview Aluminum, as exclusive representative of the employees covered as of the Closing by the current CBA for purposes of collective bargaining with respect to wages, hours, and other terms and conditions of employment;

(b) that LFAC and Longview Aluminum shall enter into a new collective bargaining agreement ("new CBA") identical to the current CBA between Reynolds Aluminum and LFAC, except as the new CBA may be mutually changed pursuant to this LOU II;

(c) that within three (3) weeks following the Closing, Longview, the USWA and LFAC will discuss and resolve the issues enumerated in paragraph 4 A through F inclusive of LOU I;

(d) that Longview Aluminum and LFAC clarify the provisions of the new CBA by their express adoption of an agreement for 2001 re-opener bargaining and, if necessary, final offer interest arbitration, all to be conducted in accordance with the timetable and other provisions described in paragraph 9(a) above. Longview Aluminum and LFAC shall further agree that such 2001 re-opener bargaining will take place at the same location where 2001 re-opener bargaining between McCook Metals and the USWA is conducted. In the 2001 re-opener bargaining, LFAC shall abide by the sole option accorded the USWA in paragraph 9(a) above as if LFAC itself had exercised the same choice; and

(e) that 2002 bargaining over a Successor CBA shall be conducted between Longview Aluminum and LFAC in accordance with all of the provisions and ground rules of paragraph 9(a) above.

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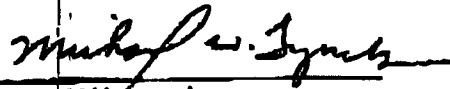
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If you agree that the above properly sets forth our understandings, please sign in the blank below.

Sincerely,



Michael W. Lynch
Chairman
Michigan Avenue Partners

Confirmed:



David A. Foster
Director, District 11
United Steelworkers of America

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EXHIBIT B**Definitions**

The capitalized terms used below shall have the following meanings:

"Affiliate" shall mean with respect to any person, any other person that is directly or indirectly controlling, controlled by or under common control with such person or entity or any of its subsidiaries, and the term "control" (including the terms "controlled by" and "under common control with") means having, directly or indirectly, the power to direct or cause the direction of the management and policies of a person, whether through ownership of voting securities or by contract or otherwise. Without limiting the foregoing, the ownership of ten percent (10%) or more of the voting securities of a person shall be deemed to constitute control.

"Capitalized Leases" shall mean, with respect to any Person, leases of any property (whether real, personal or mixed) by such Person as lessee that, in accordance with GAAP, either would be required to be classified and accounted for as capital leases on a balance sheet of such Person or otherwise be disclosed as such in a note to such balance sheet.

"Guaranty" shall mean any guaranty of the payment or performance of any indebtedness or other obligation and any other arrangement whereby credit is extended to one obligor on the basis of any promise of another Person, whether that promise is expressed in terms of an obligation to pay the indebtedness of such obligor, or to purchase an obligation owed by such obligor, or to purchase goods and services from such obligor pursuant to a take-or-pay contract, or to maintain the capital, working capital, solvency or general financial condition of such obligor, whether or not any such arrangement is reflected on the balance sheet of such other Person, firm or corporation, or referred to in a footnote thereto, but shall not include endorsements of items for collection in the ordinary course of business.

"Indebtedness" shall mean, for any Person, (i) all obligations for borrowed money, (ii) all obligations arising from installment purchases of property or representing the deferred purchase price of property or services in respect of which such person is liable, contingently or otherwise, as obligor or otherwise (other than trade payables and other current liabilities incurred in the ordinary course of business on terms customary in the trade), (iii) all obligations evidenced by notes, acceptances or instruments, or arising out of letters of credit issued for such Person's account, (iv) all obligations, whether or not assumed,

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secured by any Lien or payable out of the proceeds or production from any property or assets now or hereafter owned or acquired by such Person, (v) all obligations for which such Person is obligated pursuant to a Guaranty, (vi) the capitalized portion of lease obligations under Capitalized Leases and (vii) all obligations for which such Person is obligated pursuant to any interest rate protection agreements or derivative agreements or arrangements.

"Lien" shall mean any security interest, pledge, bailment, mortgage, hypothecation, deed of trust, conditional sales and title retention agreement (including any lease in the nature thereof), charge, encumbrance or other similar arrangement or interest in real or personal property, whether such interest is based on common law, statute or contract.

"Purchase Money Indebtedness" means all indebtedness of Longview Aluminum secured by Liens placed on assets being acquired by Longview Aluminum to secure the purchase price or cost thereof, provided that (i) the principal amount of each such Lien is incurred in the ordinary course of Longview Aluminum and shall not exceed the lesser of (y) the cost to Longview Aluminum of the assets so acquired and (z) the fair market value of such assets, (ii) any such Lien is confined to the assets so acquired and such assets are fixed or capital assets, and (iii) the aggregate amount of all such Purchase Money Indebtedness and any Capitalized Leases does not at any time exceed \$20 million.

A. General: Longview Aluminum covenants that unless and until (i) the Facility is fully operational in a manner consistent with the obligations outlined in paragraph 4 of this LOU II, and (ii) Longview Aluminum has operated profitably for at least six consecutive quarters:

1. Negative Pledge Liens. Longview Aluminum shall not create, incur, assume or suffer to exist any Lien of any kind on any of its plant facilities, properties, equipment or related personal property assets of any kind (not to include the ground lease, accounts receivable, or inventory), except the following:
 - (a) prior to March 31, 2002, liens created in connection with the Bridge Loan;
 - (b) after March 31, 2002, liens that are senior in priority to the USWA Lien and that in the aggregate secure indebtedness not in excess of \$30 million;

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- (c) the USWA Lien referred to in paragraph 7 of this LOU II;
- (d) Liens junior in priority to the USWA Lien;
- (e) Liens for or priority claims imposed by law that are incidental to the conduct of business or the ownership of properties and assets (including mechanic's, warehousemen's, attorney's and statutory landlords' liens) and deposits, pledges or liens to secure statutory obligations, surety or appeal bonds or other liens of like general nature incurred in the ordinary course of business and not in connection with the borrowing of money; provided, however, that in each case, the obligation secured is not overdue, or, if overdue, is being contested in good faith and adequate reserves have been set up by Longview Aluminum; and provided, further, that the USWA Lien or any portion thereof is not, in the opinion of Purchaser, unreasonably jeopardized thereby;
- (f) Liens securing the payments of taxes, assessments and governmental charges or levies incurred in the ordinary course of business that either (i) are not delinquent, or (ii) are being contested in good faith by appropriate legal or administrative proceedings and as to which adequate reserves have been set aside on its books, and so long as during the period of any such contest, Longview Aluminum shall suffer no loss of any privilege of doing business or any other right, power or privilege necessary or material to the operation of the business of Longview Aluminum;
- (g) Liens securing Purchase Money Indebtedness;
- (h) Liens otherwise permitted in writing by the USWA;
- (i) extensions, renewals and replacements of Liens referred to in clauses (b) through (f) of this Section 1; provided, however, that any such extension, renewal or replacement Lien shall be limited to the property or assets covered by the Lien extended, renewed or replaced and that the obligations secured by any such extension, renewal or replacement Lien shall be in an

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amount not greater than the amount of the obligations secured by the Lien extended, renewed or replaced.

2. Advances, Expenditures, Investments, Acquisitions and Loans. Longview Aluminum shall not enter into or be a party to any transaction or arrangement or expend any funds other than in connection with (i) repayment of principal and interest on the Bridge Loan and (ii) the operation, maintenance, modernization or expansion of the facilities at Longview and shall not purchase, or hold beneficially any stock, other securities or evidences of indebtedness of, or make or permit to exist any loan, Guaranty or advance to, or make any investment or acquire any interest whatsoever in, any other person, property or asset (including, but not limited to, the formation or acquisition of any subsidiaries), except:
- (a) securities issued or directly and fully guaranteed or insured by the United States of America or any agency or instrumentality thereof;
 - (b) investments in money market funds substantially all the assets of which are comprised of securities of the types described in clause (a);
 - (c) receivables owing to Longview Aluminum created or acquired in the ordinary course of business and payable on customary trade terms of Longview Aluminum;
 - (d) deposits made in the ordinary course of business consistent with past practices to secure the performance of leases or in connection with bidding on government contracts;
 - (e) advances to employees in the ordinary course of business for business expenses; provided, however, that the aggregate amount of such advances at any time outstanding shall not exceed \$40,000; and
 - (f) assets acquired in the ordinary course of business of Longview Aluminum that are used in the operation, maintenance, modernization or expansion of the facilities of Longview.

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3. Leases and Purchase Money Indebtedness. Longview Aluminum shall not enter, as lessee, into Capitalized Leases that, when aggregated with all outstanding Purchase Money Indebtedness, total more than \$20 million in the aggregate.

B. Taking of Any Value Whatsoever, Dividends and Stock Purchases.

1. Longview Aluminum covenants that no Affiliate of Longview Aluminum shall in any way directly or indirectly receive any money or other consideration of any form whatsoever from Longview Aluminum or any related entity until the Facility is fully operational in a manner consistent with the obligations outlined in paragraph 4 of this LOU II and Longview Aluminum has operated profitably for at least six consecutive quarters. Thereafter, in no event shall any such amounts received by Affiliates of Longview Aluminum exceed in the aggregate 20% of the cumulative net income of Longview Aluminum beginning on the date when the foregoing restrictions lapse. Without limiting the foregoing in any way, the foregoing restrictions shall include declaring or paying any dividends or making any distribution of any kind on Longview Aluminum's outstanding capital stock or interests (excluding the ability of members of Longview Aluminum to pledge their membership interests to the Lender) or any other payment of any kind to any of its members, stockholders or its Affiliates (including any redemption, purchase or acquisition of, whether in cash or in property, securities or a combination thereof, any partnership interests or capital accounts or warrants, options or any of its other securities), or set aside any sum for any such purpose.
2. Notwithstanding paragraph B.1. above, for the period from Closing through December 31, 2001, MAP may charge Longview Metals for out-of-pocket costs directly incurred on behalf of Longview Metals by MAP, except for costs associated with the partners of MAP.
3. Notwithstanding the foregoing, after January 1, 2002, Longview Aluminum may pay a fee to MAP for management and consulting services rendered to Longview Aluminum not in excess of \$2 million in any calendar year.
4. Notwithstanding paragraph B.1. above, nothing herein shall restrict or prohibit Longview Aluminum from performing its obligations, or the Lenders (or their successors and assigns)

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from exercising their rights, under the warrants (the "Warrants", such term to include any such warrants issued in substitution or exchange therefor) issued to the Lenders pursuant to the Loan Agreement, dated as of February __, 2001, among Longview Aluminum, the Initial Lenders named therein, Ableco Finance LLC, as Administrative Agent, and U.S. Bancorp Libra, as Funding Agent, including, without limitation, the repurchase obligation of Longview Aluminum under Section 11A of the Warrants.

C. Tenth Anniversary. Longview Aluminum covenants that until the tenth (10th) anniversary of the Closing:

1. Change of Control. None of the following shall occur:

- (a) (i) any transaction or series of related transactions resulting in the sale or issuance of securities or any rights to securities of Longview Aluminum by Longview Aluminum representing in the aggregate more than 50% of the issued and outstanding equity securities on a fully diluted basis or more than 50% of the voting power of Longview Aluminum to any Person or (ii) any transaction or series of related transactions resulting in the sale, transfer, assignment or other conveyance or disposition of any securities or any rights to securities of Longview Aluminum by any holder or holders thereof representing in the aggregate more than 50% of the issued and outstanding equity securities on a fully diluted basis or more than 50% of the voting power of Longview Aluminum and the receipt of any consideration in connection therewith to any person;
- (b) a merger, consolidation, reorganization, recapitalization or share exchange in which the stockholders of Longview Aluminum immediately prior to such transaction receive, in exchange for securities of Longview Aluminum owned by them, cash, property or securities of the resulting or surviving entity and as a result thereof, persons who were holders of equity immediately prior to such transaction hold less than 50% of the voting securities, calculated on a fully diluted basis and assuming the conversion of all securities convertible into voting securities, of the resulting

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persons entitled to vote in the election of directors, managers or similar functions;

- (c) a sale, transfer or other disposition of all or substantially all of the assets of Longview Aluminum;
- (d) any sale or issuance or series of sales or issuances of the member interests or any other voting security (or security convertible into, exchangeable for, or exercisable for any other voting security) of Longview Aluminum within a 12-month period which results in a transfer of more than 50% of the issued and outstanding equity securities of Longview Aluminum or a transfer of more than 50% of the voting power of Longview Aluminum;

2. Mergers, etc. Longview Aluminum shall not merge into or consolidate or combine with any other person, or purchase, lease or otherwise acquire (in one transaction or a series of related transactions) all or any part of the property or assets of any person other than purchases or other acquisitions of inventory, materials, leases, property and equipment in the ordinary course of business. Longview Aluminum shall not sell, transfer or otherwise dispose of any of its assets, including the collateral under the respective USWA security documents except in the ordinary course of business or in the case of worn out or obsolete inventory or equipment, the aggregate amount of which disposed in any year shall not exceed \$250,000.

3. Affiliate Transactions.

- (a) Longview Aluminum shall not make any loan or advance to any director, officer or employee of Longview Aluminum or any Affiliate, or enter into or be a party to any transaction or arrangement with any Affiliate of Longview Aluminum, including, without limitation, the purchase from, sale to or exchange of property with, any merger or consolidation with or into, or the rendering of any service by or for, any Affiliate, except pursuant to the reasonable requirements of Longview Aluminum's business and upon fair and reasonable terms no less favorable to Longview Aluminum than would be obtained in a comparable arm's-length transaction with a person other than an Affiliate.

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(b) Notwithstanding the covenants set forth in 3(a) above, the parties recognize that there may be cases where Longview has good business reasons for selling aluminum alloy to McCook Metals and Scottsboro Aluminum for less than fair market value ("Below Market Transactions" or "BMT's"). Such BMT's shall be permitted provided that: (i) the USWA is notified of all such BMT's; (ii) no such BMT, either individually or in total, has a material negative impact on the long-term viability of Longview Aluminum; and (iii) MAP makes every effort to secure opportunities for Longview to sell aluminum alloy to McCook and Scottsboro in non-arms length transactions that would be as beneficial to Longview as the BMT's were beneficial to McCook and Scottsboro.

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MICHIGAN AVENUE PARTNERS
4900 First Avenue
McCook, Illinois 60525-3294
312.245.9600
FAX 708.387.8919

March 30, 2001

Mr. David A. Foster, Director
USWA – District 11
2829 University Avenue, SE
Suite 100
Minneapolis, MN 55414

Mr. Jack Parton, Director
USWA – District 7
1301 Texas Street
2nd Floor – Room 200
Gary, IN 46402

Mr. Wesley Wheeler, President
Longview Federated Aluminum Council
618 14th Avenue
Suite C
Longview, WA 98632

Dear Sirs:

The following will confirm our understanding regarding Paragraph 9(a) of the Letter of Understanding between MAP and the USWA dated February 18, 2001 ("LOU II") and item "d" of the Agreement between LFAC and MAP which was ratified by a membership vote of LFAC on February 19, 2001 (the "MAP-LFAC Agreement") and certain related matters.

All capitalized terms herein have the same meaning ascribed to them in the December 20 Agreement, LOU I, LOU II, the Amendment Agreement and the MAP-LFAC Agreement.

The parties hereby agree that notwithstanding the provisions referred to above, the parties:

- (i) shall reach agreement on a procedure for re-opener bargaining by no later than May 15, 2001;
- (ii) shall commence said re-opener bargaining by no later than June 1, 2001 and conclude said bargaining within 30 days of its commencement;
- (iii) agree that any economic improvement negotiated as part of the re-opener bargaining or ordered by an Arbitrator pursuant to final-offer interest arbitration shall be retroactive to May 31, 2001;

- (iv) agree that the scope of the interest arbitration shall be limited to the following matters:
- a) Standard hourly wage rates
 - b) Lump-sum payments
 - c) Overtime and premium pay
 - d) Schedule and shift differential
 - e) Holiday pay
 - f) Pay for time not worked (vacation, jury duty, holiday, call in, incomplete day, and bereavement)
 - g) Benefits
 - Pension factor
 - Medical (including drug, dental, and vision)
 - Life Insurance
 - Sickness and Accident
 - Retiree Medical for Future retirees
 - 401(k) match
- (v) agree that the provisions of LOU II and the MAP-LFAC Agreement supercede any notice requirements contained in the current collective bargaining agreement between the United Steelworkers of America and McCook Metals and the current collective bargaining agreement between Longview Aluminum and LFAC.

Except as expressly amended and modified by this agreement, the December 20 Agreement, LOU I, LOU II, the Amendment Agreement and the MAP-LFAC Agreement shall continue to be in full force and effect.

Sincerely,



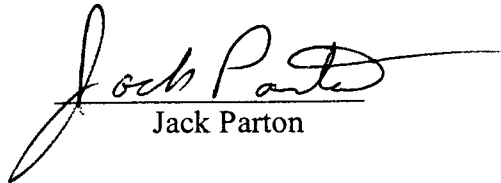
Michael W. Lynch
Chairman

Confirmed:



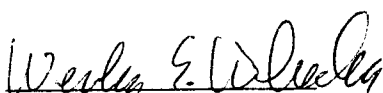
David A. Foster

Confirmed:



Jack Parton

Confirmed:



Wesley Wheeler



MICHIGAN AVENUE PARTNERS
4900 First Avenue
McCook, Illinois 60525-3294
312.245.9600
FAX 708.387.8919

JAN 22 2001

January 19, 2001

Mr. David A. Foster
Director
United Steelworkers of America
2829 University Avenue, SE
Suite #100
Minneapolis, MN 55414

Dear Mr. Foster:

This Letter of Understanding ("LOU") will confirm our agreement regarding MAP's proposed Purchase of Longview.

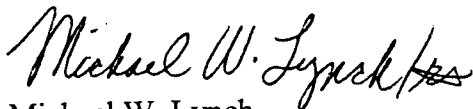
1. As used herein, capitalized terms shall have the meaning ascribed to them in that certain agreement dated December 20, 2000 between the USWA and MAP.
2. In the event MAP completes the Purchase, Longview will:
 - A. Offer employment, under the terms and conditions of the currently existing collective bargaining agreement between Reynolds Metals Company (Longview Plant) and the Longview Federated Aluminum Council ("LFAC") (the "Current CBA") to all individuals who were employees of Longview as the term employee is defined in the Current CBA as of January 1, 2001 and who did not quit, die or retire prior to the closing of the Purchase ("Employees").
 - B. Recognize the LFAC and assume the Current CBA.
3. The commitments outlined in # 2A and # 3 of the Agreement shall be extended to all Employees.

January 19, 2001

Page 2

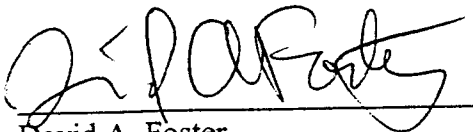
4. Administrative details regarding the application of the Agreement, this LOU and the current collective bargaining agreement ("New CBA") during the Power Sale Period will be agreed upon between the LFAC and the Company within three weeks following the closing of the Purchase. Matters to be discussed and resolved will include, but not be limited to, the following issues:
- A. Application of seniority in a manner that both ensures the availability of any necessary skilled employees and meets the other objectives of the Agreement, the LOU, the New CBA and the principles listed below.
 - B. Company-required training programs.
 - C. Union leadership training programs.
 - D. Additional compensation, if any, for employees required to work during the Power Sale Period.
 - E. Assignment of employees to non-traditional work.
 - F. Best efforts to provide a minimum time off with SSP and Benefits of at least three months for all employees.

Sincerely,



Michael W. Lynch
Chairman
Michigan Avenue Partners

Confirmed:



David A. Foster
Director
United Steelworkers of America

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ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Escrow Agreement") is entered into as of February 22, 2001, by and among Michigan Avenue Partners, L.L.C., a Delaware limited liability company ("MAP"), the United Steelworkers of America ("USWA"), and National City Bank, N.A., a national banking association, as Escrow Agent (the "Escrow Agent").

WITNESSETH:

WHEREAS, MAP and USWA have entered into a Letter of Understanding, dated as of February 22, 2001 (the "LOU") pursuant to which, among other matters, MAP and USWA agreed to establish a bankruptcy-proof entity administered by a trustee mutually chosen by the parties (the "Permanent Escrow Account") to secure certain payments and benefits and provide for other enhanced benefits, as more fully described in the LOU;

WHEREAS, MAP agreed to fund the Permanent Escrow Account in the amount of \$2,000,000 at the closing of the acquisition by MAP or an affiliate of MAP of all or substantially all of the assets comprising the Longview primary aluminum reduction plant ("Closing") for the purposes set forth in the LOU;

WHEREAS, MAP and USWA recognize that it may not be practical or in their interests to establish the Permanent Escrow Account prior to the Closing and instead wish to establish the escrow account created hereby pending the establishment of the Permanent Escrow Account;

WHEREAS, the Escrow Agent has been provided a copy of the LOU and has agreed to serve as escrow agent for purposes of this Escrow Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and in the LOU, the parties hereto hereby agree as follows:

ARTICLE I

CERTAIN DEFINITIONS

Capitalized terms used but not defined herein have the meaning assigned to such terms in the LOU. In addition, the term "Banking Days" shall mean days other than Saturdays, Sundays or days on which banks in the State of Ohio may be closed.

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ARTICLE II

CREATION OF ESCROW; INVESTMENT OF ESCROW FUNDS

2.1. Creation of Escrow. (a) MAP and USWA hereby appoint the Escrow Agent to serve as, and the Escrow Agent hereby agrees to serve as, escrow agent upon the terms and conditions of this Escrow Agreement.

(b) Pursuant to the LOU, MAP shall deliver the sum of \$2,000,000.00 (the "Escrow Amount") to the Escrow Agent at the Closing. The Escrow Agent hereby agrees to accept the Escrow Amount and hold the same in escrow pursuant to the terms of this Escrow Agreement.

(c) The Escrow Agent shall hold the Escrow Amount in an account identified as being established pursuant to this Escrow Agreement (the "Escrow Account"). The Escrow Agent will hold said Escrow Amount together with all investments thereof, additions thereto and all interest accumulated thereon and proceeds therefrom (the "Escrow Funds") in escrow upon the terms and conditions set forth in this Escrow Agreement and shall not withdraw the Escrow Funds from the Escrow Account except as provided herein.

2.2. Investment of Escrow Funds. (a) The Escrow Agent, at the written direction of MAP, shall, to the extent practicable, invest and reinvest from time to time the Escrow Funds in any of the following: (i) readily marketable direct obligations of or obligations guaranteed by the United States of America maturing within one year from their respective dates of issuance, or (ii) money market funds consisting of the type of obligations described in the foregoing clause (i). the foregoing clauses (i) and (ii) being hereinafter referred to as "Investments").

(b) The Escrow Agent shall have no liability for any investment losses resulting from the investment, reinvestment, sale or liquidation of any portion of the Escrow Funds, except in the case of the gross negligence or willful misconduct of the Escrow Agent.

ARTICLE III

DISTRIBUTIONS FROM ESCROW

3.1. Distributions to USWA. If at any time and from time to time USWA advises the Escrow Agent in writing (with a copy to MAP in the manner set forth in Section 5.3 hereof) (a) that all or any portion of the payment of SSP's, Benefits, and wages and compensation for hours worked has not been made directly to Employees as contemplated by the last sentence of Section 2(b) of the LOU and (b) of the amount of the payment not so made (the "Underpayment Amount"), then the Escrow Agent shall, between 3 and 5 Banking Days after the date of the written notice from USWA, deliver Escrow Funds in an amount equal to the Underpayment Amount to USWA (or any

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person or persons designated in writing by USWA), unless the Escrow Agent shall have received, within 3 Banking Days after the date of the written notice from USWA, a written objection from MAP to such delivery setting forth the amount in dispute, in which case the Escrow Agent shall deliver any undisputed amount to USWA (or any person or persons designated in writing by USWA), and shall continue to hold the disputed amount until either (A) receipt of a certificate signed by USWA and MAP directing the Escrow Agent to deliver Escrow Funds in an amount equal to the amount set forth in such certificate to USWA (or any person or persons designated in writing by USWA) or (B) receipt of a formal order of a court of competent jurisdiction directing the Escrow Agent to deliver Escrow Funds in an amount equal to the amount specified therein to USWA (or any person or persons designated in writing by USWA).

3.2. Distribution to the Permanent Escrow Account. Promptly after written notice from USWA to the Escrow Agent and MAP that the Permanent Escrow Account has been established, the Escrow Agent shall distribute all Escrow Funds to the Permanent Escrow Account.

ARTICLE IV

THE ESCROW AGENT

4.1. General. The Escrow Agent shall not deal with the Escrow Funds except in accordance with (a) this Escrow Agreement, (b) written instructions given in conformity with this Escrow Agreement or (c) instructions agreed to in writing by USWA and MAP. The Escrow Agent shall not be bound in any way by the Asset Purchase Agreement or by any agreement or contract between the USWA and MAP (whether or not the Escrow Agent has knowledge thereof), it being understood that the Escrow Agent's only duties and responsibilities shall be to invest, hold and distribute the Escrow Funds, in each case in accordance with the terms of this Escrow Agreement. The Escrow Agent shall not be responsible for any loss resulting from investments in accordance with the terms of this Agreement. The Escrow Agent shall have no liability with respect to any action taken by it except for its own negligence or willful misconduct. The Escrow Agent makes no representations and has no responsibility as to the validity, genuineness or sufficiency of any of the documents or instruments included in the subject matter of the escrow. The Escrow Agent may rely and shall be protected in relying upon any resolution, certificate, opinion, request, communication, demand, receipt or other paper or document in good faith believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Agent may act in reliance upon the advice of counsel satisfactory to it in reference to any matter in connection with the escrow and shall not incur any liability for any action taken in good faith in accordance with such advice.

4.2. Fees. The Escrow Agent's fees and expenses (including the reasonable fees, expenses and disbursements of its counsel) in acting hereunder shall be paid by MAP. A schedule of the Escrow Agent's fees is set forth in Annex A hereto. In the event that such fees and expenses are not promptly paid in accordance herewith, the Escrow Agent may reimburse itself for such fees and expenses from the Escrow Funds

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and MAP shall be obligated to contribute to the Escrow Funds the amount MAP failed to pay to the Escrow Agent.

4.3. Resignation. The Escrow Agent or any successor Escrow Agent hereunder may resign by giving 30 days prior written notice of resignation to USWA and MAP, and such resignation shall be effective from the date specified in such notice. In case the office of Escrow Agent shall become vacant for any reason, USWA may appoint a bank or trust company having capital and undivided surplus (as reflected in its latest publicly available certified financial statements) of not less than \$25 million as successor Escrow Agent hereunder by an instrument or instruments in writing delivered to such successor Escrow Agent, the retiring Escrow Agent and MAP, whereupon such successor Escrow Agent shall succeed to all the rights and obligations of the retiring Escrow Agent as if this Escrow Agreement were originally executed by such successor Escrow Agent, and the retiring Escrow Agent shall duly transfer and deliver to such successor Escrow Agent the Escrow Funds in the form held by it hereunder at such time.

ARTICLE V

MISCELLANEOUS

5.1. Registration. The Escrow Agent may register any investments of Escrow Funds in its own name or in the name of a nominee or maintain them in bearer form and may deposit any such investments in a depository or clearing corporation.

5.2. Expenses. MAP shall pay its and USWA's costs and expenses incurred in connection with this Escrow Agreement and the transactions contemplated hereby.

5.3. Notices. All notices or other communications required or permitted hereunder shall be delivered by hand or sent by prepaid telex, cable or telecopy, or sent postage prepaid, by registered certified or express mail, or reputable overnight courier service and shall be deemed given when so delivered by hand, telexed, cabled or telecopied, or if mailed, three (3) days after mailing (one business day in the case of express mail or overnight courier service), as follows:

if to USWA:

United Steelworkers of America
Gateway Center
Pittsburgh, Pennsylvania
Attn: Ron A. Bloom
Fax No.: (412) 562-2263

with a copy to:

Arnold & Porter
555 Twelfth Street, N.W.

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Washington, DC 20004
Attn: Samuel A. Flax, Esq.
Fax: (202) 942-5999

if to MAP:

Michael W. Lynch
Chairman
Michigan Avenue Partners
4900 First Avenue
McCook, IL 60525
Fax: (708) 387-8392

with a copy to:

Seyfarth Shaw
555 East Monroe Street
Suite 4200
Chicago, IL 60603
Attn: Theodore E. Cornell III, Esq.
Fax: (312) 269-8869

if to the Escrow Agent:

National City Bank, N.A., as Escrow Agent
Seamus Murphy (25-161)
Pittsburgh, PA 15222
Attn: Taft Hartley Services
Fax: (412) 644-7783

5.4. Assignability. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors, but shall not be assignable by any party without the prior written consent of the other parties.

5.5. Entire Agreement. This Escrow Agreement, the LOU, the Agreement of December 20, 2000 and the Letter of Understanding of January 19, 2001, and the other related agreements, except as set forth therein, contain the entire agreement between the parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings relating to such subject matter, written and oral.

5.6. Governing Law. All questions concerning the construction, validity and interpretation of this Escrow Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without regard to the conflicts of law principles of such state.

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5.7. Article and Section Headings. The article, section and other headings contained in this Agreement are for reference purposes only and shall not effect the meaning or interpretation of this Escrow Agreement.

5.8. Counterparts. This Escrow Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the parties and delivered (which deliveries may be by telefax) to the other parties.

5.9. Amendment; No Waivers. This Escrow Agreement may not be amended or modified except (a) by an instrument in writing signed by USWA, MAP and the Escrow Agent or (b) by a waiver in accordance with the following sentence. Any party hereto may (i) extend the time for the performance of any obligation or other act of any other parties hereto or (ii) waive compliance with any agreement or condition contained herein of any other party hereto. Any such extension or waiver shall be valid if set forth in an instrument in writing signed by the party or parties to be bound thereby. Any waiver of any term or condition shall not be construed as a waiver of any subsequent breach or a subsequent waiver of the same term or condition, or a waiver of any other term or condition, of this Escrow Agreement. The failure of any party at any time to require performance of any provision hereof shall in no manner affect its right at a later time to enforce the same. No waiver by any party of any breach of any term contained in this Escrow Agreement shall be deemed to be or construed as a further or continuing waiver of any such breach in any subsequent instance or waiver of any breach of any other term contained in this Escrow Agreement.

5.10. Jurisdiction; Consent to Service of Process. (a) Each of the parties to this Escrow Agreement hereby irrevocably submits to the non-exclusive jurisdiction of the courts of the State of Ohio or in any federal court sitting therein in any suit, action or proceeding arising out of or relating to this Escrow Agreement or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such suit, action or proceeding may be heard and determined in such courts of the State of Ohio, or, to the extent permitted by law, by removal or otherwise, in such federal court. It shall be a condition precedent to each party's right to bring any such suit, action or proceeding that such suit, action or proceeding, to the first instance, be brought in such court of the State of Ohio or, to the extent permitted by law, by removal or otherwise, in such federal court (unless such suit, action or proceeding is brought solely to obtain discovery or to enforce a judgment), and if each of such Ohio court, or any federal court sitting therein, refuses to accept jurisdiction with respect thereto, such suit, action or proceeding may be brought in any other court with jurisdiction. No party to this Escrow Agreement may move to (i) transfer any such suit, action or proceeding from such court of the State of Ohio, or any federal court sitting therein, to another jurisdiction, (ii) consolidate any such suit, action or proceeding brought in such court of the State of Ohio, or any federal court sitting therein, with a suit, action or proceeding in another jurisdiction or (iii) dismiss any such suit, action or proceeding brought in such court of the State of Ohio, or any federal court sitting therein, for the purpose of bringing the same in another jurisdiction. Each party agrees that a final judgment in any such suit, action or proceeding shall be conclusive and

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may be enforced in any other jurisdiction by suit on the judgment or in any other manner provided by law.

(b) Each party to this Escrow Agreement hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Escrow Agreement in any court of the State of Ohio, or any federal court sitting therein. Each party hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such suit, action or proceeding in any such court and further waives the right to object, with respect to such suit, action or proceeding, that such court does not have jurisdiction over such party.

(c) Each party hereto hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any litigation directly or indirectly arising out of, under or in connection with this Escrow Agreement. Each party hereto (i) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such party would not, in the event of litigation, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other parties hereto have been induced to enter into this Escrow Agreement, by, among other things, the mutual waiver and certifications in this paragraph (c).

(d) Each party to this Escrow Agreement irrevocably consents to service of process in the manner provided for notices in Section 5.03. Nothing in this Escrow Agreement will affect the right of any party to this Escrow Agreement to serve process in any other manner permitted by law.

5.11. Severability. If any term or provision of this Escrow Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Escrow Agreement shall nonetheless remain in full force and effect so long as the economic and legal substance of the transactions contemplated by this Escrow Agreement is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Escrow Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Escrow Agreement be consummated as originally contemplated to the fullest extent possible.

5.12. Further Assurances. Each of the parties hereto agree to execute and deliver, upon the written request of any party hereto, any and all such further instruments and documents as such party may deem desirable for the purpose of obtaining the full benefits of this Escrow Agreement.

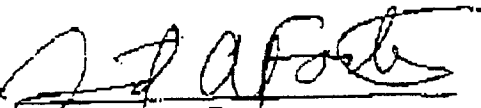
FROM : USWA D11 MPLS

FAX NO. : 6126238654

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IN WITNESS WHEREOF, the parties to this Escrow Agreement have caused this Escrow Agreement to be duly executed as of the date first written above.

UNITED STEELWORKERS OF AMERICA

By: 
Name: David A. Foster
Title: Director, District 11

MICHIGAN AVENUE PARTNERS

By: _____
Name: Michael W. Lynch
Title: Chairman

NATIONAL CITY BANK, N.A.
AS ESCROW AGENT

By: _____
Name:
Title:

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IN WITNESS WHEREOF, the parties to this Escrow Agreement have
caused this Escrow Agreement to be duly executed as of the date first written above.

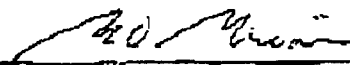
UNITED STEEL WORKERS OF AMERICA

By: _____
Name: David A. Foster
Title: Director, District 11

MICHIGAN AVENUE PARTNERS

By: _____
Name: Michael W. Lynch
Title: Chairman

NATIONAL CITY BANK, N.A.
AS ESCROW AGENT

By: 
Name: Mark G. Minard
Title: Vice President

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IN WITNESS WHEREOF, the parties to this Escrow Agreement have caused this Escrow Agreement to be duly executed as of the date first written above.

UNITED STEELWORKERS OF AMERICA

By: _____
Name: David A. Foster
Title: Director, District 11

MICHIGAN AVENUE PARTNERS

By: Michael W. Lynch
Name: Michael W. Lynch
Title: Chairman

NATIONAL CITY BANK, N.A.
AS ESCROW AGENT

By: _____
Name:
Title:

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ANNEX A

Fees of Escrow Agent

To cover legal review and consideration of the various drafts of the Escrow Agreement and supporting documentation, establishment of the escrow account; normal administrative functions of the Escrow Agent; and the receipt and disbursement of the funds pursuant to the Escrow Agreement.

Administrative Fee (3 year or any portion thereof) \$3,000.00

Transaction Based Fees:

Armada Fund Automatic Cash Management Fee: 50 Basis Points of daily balance calculated daily, charged monthly to the account.

\$50 per purchase or sale of assets other than Armada Funds

2120 - Served
2220 - Not Served
2320 - Served By Mail
2420 - Served By Publication
SUMMONS

2121 - Served
2221 - Not Served
2321 - Served By Mail
2421 - Served By Publication
ALIAS - SUMMONS

(Rev.1/2/01) CCG 0001

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

01CH20441

No. _____

(Name all parties)

LONGVIEW ALUMINUM, L.L.C., a Delaware corporation,
and MICHIGAN AVENUE PARTNERS, L.L.C., an
Illinois corporation,

Plaintiffs,

v.

UNITED STEELWORKERS OF AMERICA, INC., a
Pennsylvania corporation, and DAVID FOSTER, an
individual,

Defendants.

Please serve attached Service List.

SUMMONS

To each defendant:

YOU ARE SUMMONED and required to file an answer to the complaint in this case, a copy of which is hereto attached, or otherwise file your appearance, and pay the required fee, in the office of the Clerk of this Court at the following location:

- ☒ Richard J. Daley Center, 50 W. Washington, Room 802, Chicago, Illinois 60602
- | | | |
|--|---|--|
| <input type="checkbox"/> District 2 - Skokie
5600 Old Orchard Rd.
Skokie, IL 60077 | <input type="checkbox"/> District 3 - Rolling Meadows
2121 Euclid
Rolling Meadows, IL 60008 | <input type="checkbox"/> District 4 - Maywood
1500 Maybrook Ave.
Maywood, IL 60153 |
| <input type="checkbox"/> District 5 - Bridgeview
10220 S. 76th Ave.
Bridgeview, IL 60455 | <input type="checkbox"/> District 6 - Markham
16501 S. Kedzie Pkwy.
Markham, IL 60426 | |

You must file within 30 days after service of this summons, not counting the day of service.

IF YOU FAIL TO DO SO, A JUDGMENT BY DEFAULT MAY BE ENTERED AGAINST YOU FOR THE RELIEF REQUESTED IN THE COMPLAINT.

To the officer:

This summons must be returned by the officer or other person to whom it was given for service, with endorsement of service and fees, if any, immediately after service. If service cannot be made, this summons shall be returned so endorsed. This summons may not be served later than 30 days after its date.

DEC 04 2001

Atty.No.: 37326

Name: Steven J. Thompson, Jenkins & Gilchrist

Atty.for: Plaintiffs

Address: 225 West Washington, Ste. 2600

City/State/Zip: Chicago, IL 60606

Telephone: (312) 425-3900

WITNESS, _____, _____

Clerk of Court

Date of service: 4, _____
(To be inserted by officer on copy left with defendant
or other person)

Service by Facsimile Transmission will be accepted at: _____
(Area Code) (Facsimile Telephone Number)

DOROTHY BROWN. CLERK OF THE CIRCUIT COURT OF COOK COUNTY. ILLINOIS

**LONGVIEW ALUMINUM, L.L.C., et al . v.
UNITED STEELWORKERS OF AMERICA, INC., et al.**

SERVICE LIST

UNITED STEELWORKERS OF AMERICA, INC.

c/o Registered Agent
Five Gateway Center
Pittsburgh, Pennsylvania 15222

DAVID A. FOSTER

United Steelworkers of America, Inc., District 11
2829 University Avenue, SE
Suite 100
Minneapolis, Minnesota 55414

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

LONGVIEW ALUMINUM, L.L.C., a Delaware)
Corporation; MICHIGAN AVENUE PARTNERS,)
L.L.C., an Illinois Corporation,)

Plaintiffs,)

v.)

UNITED STEEL WORKERS OF AMERICA,)
INC., a Pennsylvania Corporation, DAVID)
FOSTER, an individual,)

Defendant.)

01CH20441

No. 01-CH-_____

Judge _____

COMPLAINT FOR EQUITABLE, LEGAL & DECLARATORY RELIEF

Plaintiffs Longview Aluminum, L.L.C. and Michigan Avenue Partners, L.L.C., through their undersigned attorneys, by and for their complaint against defendant United Steel Workers of America, Inc., state as follows.

PARTIES

1. Plaintiff Longview, L.L.C. ("Longview"), is a Delaware corporation, its headquarters is in Cook County, Illinois, and it is the owner of an aluminum smelting plant and facility (the "Plant") in Longview, Washington.

2. Plaintiff Michigan Avenue Partners, L.L.C. ("MAP"), is an Illinois corporation, its headquarters is in Cook County, Illinois, and it provides management and consulting services to Longview.

3. On information and belief, defendant United Steel Workers of America, Incorporated ("USWA"), is a Pennsylvania corporation, and its headquarters is in Pittsburgh, Pennsylvania. USWA, through its District 11 and respective Local, is the recognized collective bargaining entity at Longview and represents certain of Longview's hourly employees.

4. Defendant David Foster is the Director of USWA District 11, whose main office is in Minneapolis, Minnesota.

JURISDICTION

5. The matters in controversy here exceed \$50,000, exclusive of costs and interests.

6. This court has personal jurisdiction over USWA, as USWA conducts business in Cook County, Illinois.

7. This court has personal jurisdiction over Foster, as Foster directed harmful acts toward plaintiffs in Cook County, Illinois.

8. This court has jurisdiction over the subject matter of plaintiffs' claims.

VENUE

9. Venue in this Circuit is proper, as a substantial part of the acts or omissions giving rise to the claims asserted herein occurred in this Circuit and/or were intended to injure plaintiffs in this Circuit.

COUNT I: CONVERSION **(Longview Against USWA)**

10. On or about February 26, 2001, Longview entered into a "Curtailment Agreement" with the United States Department of Energy, Bonneville Power Administration (the "BPA").

11. Pursuant to the Curtailment Agreement, *inter alia*, Longview agreed to curtail the Plant's consumption of electrical power provided by the BPA, from the period of March 1, 2001 through June 30, 2002, notwithstanding Longview's contractual entitlement to procure a large amount of power from the BPA at fixed rates that were substantially below then-prevailing market rates for electric power in the vicinity of the Plant.

12. In exchange for the Plant's curtailment of its power consumption, pursuant to the Curtailment Agreement, the BPA agreed to pay Longview the aggregate sum of \$226,000,000,

payable by wire transfer in 12 monthly installments, commencing March 20, 2001, and concluding February 20, 2002.

13. Following execution of the Curtailment Agreement, and pursuant to the parties' agreement, Longview curtailed the Plant's power consumption by shutting down its smelters, and the BPA began paying the monthly installments by wire transfer to Longview's accounts.

14. The Curtailment Agreement originally contemplated that the BPA would wire funds to three separate accounts – including, an escrow account referenced in Exhibit B, Table 2 of the Curtailment Agreement (the "Escrow Account").

15. However, because Longview and USWA had not reached agreement on and jointly established instructions for the Escrow Account, through no fault of Longview's, Longview directed the BPA to wire the Escrow Account funds to a designated account at the Bank of America, set aside for the purposes of meeting Longview hourly payroll obligations (the "Proper Account").

16. Accordingly, before the BPA made any disbursements pursuant to the Curtailment Agreement, the parties orally agreed that BPA would wire the Escrow Account funds to the Proper Account instead of the Escrow Account.

17. The BPA thus proceeded to make the first eight installment payments to the designated and established accounts, including the Proper Account, without incident and in accordance with the parties' agreements and understandings.

18. Pursuant to the Curtailment Agreement, the ninth monthly installment due and owing Longview on November 20, 2001, was in the aggregate amount of \$14,583,333.00, and the Proper Account portion of this was \$3,100,000.00.

19. On or about November 15, 2001, Longview's Vice Chairman, John Kolleng, received a call from the office of Mark Miller, who was BPA's Account Executive for the Curtailment Agreement, inquiring as to whether \$3.1 million of the amounts due on November 20, 2001, should be directed to an account different from the Proper Account.

20. In response, Longview's Vice Chairman stated that the status quo should continue; funds should continue to be wired to the same accounts that they had been wired to for the preceding eight monthly installments, including the Proper Account, no changes should be made to the parties' payment arrangements, nor had Longview authorized any such changes to the parties' course of dealing and agreements respecting the same.

21. Upon hearing this, the representative from Mark Miller's office expressed relief that no changes to the existing procedures would have to be processed, and Longview therefore assumed, understood, and expected that monies would be wired to the same accounts as they had been for the prior eight installments, including the Proper Account.

22. Nonetheless, notwithstanding the parties' oral agreements, their eight-month course of dealing, and Longview's recent reaffirmation of the same, on or about November 20, 2001, Longview discovered that \$3.1 million of the funds due and owing by the BPA to Longview pursuant to the Curtailment Agreement (hereafter the "Converted Funds") had been wired not to the Proper Account, but to a different account under the custody and control of the USWA.

23. On information and belief, the Converted Funds were wired to the USWA account as a result of false and misleading representations that David Foster, the Director of USWA District 11, made to Mark Miller, on or before November 20, 2001, respecting USWA's entitlement to the Converted Funds.

24. Upon discovering that \$3.1 million had been wired to the USWA's account, on or about November 20, 2001, Longview contacted USWA representatives and demanded return of the Converted Funds, which demands were repeated several times by telephone and in person, as well as in letters to Director Foster of November 30, 2001 and other representatives of USWA.

25. Despite Longview's oral and written demands for return of the Converted Funds, USWA has failed and refused to return the Converted Funds.

26. On information and belief, USWA's actions in causing the BPA to pay the Converted Funds into USWA's account were undertaken intentionally and maliciously for, *inter alia*, the purpose of gaining unfair leverage over Longview so as to extract additional benefits and concessions from Longview to which USWA is not entitled.

WHEREFORE, plaintiff Longview respectfully requests an award in its favor and against USWA for the following:

- A. \$3.1 million, the amount of the Converted Funds;
- B. Punitive damages in an amount to be determined at trial;
- C. Interest on the \$3.1 million of Converted Funds, from November 19, 2001 through the date of Longview's receipt of the same;
- D. Longview's costs in bringing and prosecuting this action;
- E. All other and further relief to which Longview is entitled as a matter of law and/or equity.

Count II: Unjust Enrichment
(Longview Against USWA)

27. Longview repeats and re-alleges paragraphs 1 – 26 of this Complaint, as though it had fully set forth the same hereinafter.

28. USWA, as a consequence of the foregoing, has been unjustly enriched in the amount of \$3.1 million, plus interest accruing on that amount.

29. It would be unjust and inequitable for USWA to retain these monies that are the property of Longview.

WHEREFORE, plaintiff Longview respectfully requests an award in its favor and against USWA for the following:

- A. \$3.1 million, the amount of the Converted Funds;
- B. Interest on the \$3.1 million of Converted Funds, from November 19, 2001 through the date of Longview's receipt of the same;
- C. Longview's costs in bringing and prosecuting this action;
- D. All other and further relief to which Longview is entitled as a matter of law and/or equity.

Count III: Tortious Interference
(Longview Against USWA)

30. Longview repeats and re-alleges paragraphs 1 – 29 of this Complaint, as though it had fully set forth the same hereinafter.

31. The Curtailment Agreement, as orally modified and confirmed by the parties' course of dealing and the express reaffirmation by Kolleng, is a valid and enforceable agreement.

32. At all times relevant hereto, USWA was aware of the Curtailment Agreement, the parties' oral modifications of that agreement, and the eight-month course of dealing vis-à-vis the wire transfer of funds to the Proper Account.

33. With such knowledge, USWA has wrongfully and intentionally interfered with the BPA's performance, *inter alia*, by inducing the BPA to direct the Converted Funds to USWA's account in breach of the BPA's agreement and course of dealing with Longview.

34. On information and belief, USWA has intentionally and maliciously induced the BPA's breach of the Curtailment Agreement to harm Longview and/or extract additional benefits and concessions from Longview in ongoing negotiations and disputes.

35. As a direct and proximate result of USWA's tortious interference, Longview has not received \$3.1 million in funds due and owing it under the Curtailment Agreement and, as a consequence, and as USWA is aware, Longview has had to borrow funds to satisfy payroll and other obligations to, among others, USWA members employed by the Plant.

WHEREFORE, plaintiff Longview respectfully requests an award in its favor and against USWA for the following:

- A. \$3.1 million, the amount of the funds Longview has been deprived of as a result of the BPA breach that USWA induced;
- B. Punitive damages in an amount to be determined at trial;
- C. Interest on the \$3.1 million of Converted Funds, from November 19, 2001 through the date of Longview's receipt of the same;
- D. Longview's costs in bringing and prosecuting this action;
- E. All other and further relief to which Longview is entitled as a matter of law and/or equity.

Count IV: Tortious Interference
(Longview Against Foster)

36. Longview repeats and re-alleges paragraphs 1 – 35 of this Complaint, as though it had fully set forth the same hereinafter.

37. The Curtailment Agreement, as orally modified and confirmed by the parties' course of dealing and the express reaffirmation by Kolleng, is a valid and enforceable agreement.

38. At all times relevant hereto, Foster was aware of the Curtailment Agreement, the parties' oral modifications of that agreement, and the eight-month course of dealing vis-à-vis the wire transfer of funds to the Proper Account.

39. With such knowledge, and on information and belief, Foster has wrongfully and intentionally interfered with the BPA's performance, *inter alia*, by inducing the BPA to wire the Converted Funds to a USWA account in breach of the BPA's agreement and course of dealing with Longview.

40. On information and belief, Foster has intentionally and maliciously induced the BPA's breach of the Curtailment Agreement out of spite or dislike for Longview and/or its owners.

41. As a direct and proximate result of Foster's tortious interference, Longview has not received \$3.1 million in funds due and owing it under the Curtailment Agreement, and, as a consequence, and as Foster is aware, Longview has had to borrow funds to satisfy payroll and other obligations to, among others, USWA members employed by the Plant.

WHEREFORE, plaintiff Longview respectfully requests an award in its favor and against Foster for the following:

- A. \$3.1 million, the amount of the funds Longview has been deprived of as a result of the BPA breach that Foster induced;
- B. Punitive damages in an amount to be determined at trial;
- C. Interest on the \$3.1 million of Converted Funds, from November 19, 2001 through the date of Longview's receipt of the same;
- D. Longview's costs in bringing and prosecuting this action;

E. All other and further relief to which Longview is entitled as a matter of law and/or equity.

Count V: Declaratory Relief
(MAP Against USWA)

42. MAP repeats and re-alleges paragraphs 1 – 41 of this Complaint, as though it had fully set forth the same hereinafter.

43. On or about February 18, 2001, MAP and USWA entered into a Letter of Understanding (“LOUII”).

44. After the USWA converted \$3.1 million in Longview funds, as set forth above, in a letter dated November 21, 2001, USWA accused MAP of breaching the LOUII in various respects, including:

- (a) Failing to meet obligations with respect to the establishment and funding of a Voluntary Employees’ Benefit Association (“VEBA”), as described in LOUII ¶ 2;
- (b) Failing to meet obligations with respect to the establishment and funding of the Escrow Account, as described in LOUII ¶ 3;
- (c) Failing to meet obligations with respect to the construction of a power generation facility, as described in LOUII ¶ 4;
- (d) Failing to meet obligations with respect to the granting of a security interest to USWA, as described in LOUII ¶ 7;
- (e) Failing to meet an obligation with respect to the payment of certain professional fees, as described in LOUII ¶ 8;

(f) Failing to meet obligations with respect to final offer interest arbitration for reopener bargaining for Longview and for McCook to cover the period from May 31, 2001 to May 31, 2002, as described in LOUII ¶ 9;

(g) Failing to meet obligation with respect to a change in control of the Plant, as described in LOUII, Exhibit B, ¶ C; and

(h) Failing to meet certain payroll benefits and other obligations, as described in a December 20, 2001, letter of intent.

45. As to the VEBA issues referenced above in paragraph 44(a), MAP denies that it has breached any of its obligations under ¶ 2 of the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary.

46. As to the Escrow Account issues referenced above in paragraph 44(b), MAP denies that it has breached any of its obligations under ¶ 3 of the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary.

47. As to the power generation issues referenced above in paragraph 44(c), MAP admits that it has not begun permitted construction as contemplated by LOUII ¶ 4, but MAP asserts:

(a) that its failure to do so is immaterial and irrelevant in view of its pursuit of alternative long-term sources of power that would accomplish the same purposes as construction of a dedicated power facility for the Plant at substantial savings to the Plant;

(b) that MAP should be excused from these obligations on the grounds of impossibility, mistake, and/or unconscionability;

(c) that USWA has breached its covenant of good-faith and fair dealing in asserting MAP's breach of ¶ 4 of the LOUII;

(d) that USWA's prior material breaches of the LOUII excused MAP from performing its obligations under the LOUII; and/or

(e) that USWA agreed to modify the obligations of ¶ 4 in light of the changes in the electricity markets and in light of the failings of the contractor retained to begin construction of an independent generating facility for the Plant.

48. As to the lien issues referenced above in paragraph 44(d) MAP denies that it has breached any of its obligations under ¶ 7 of the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary, as the delays associated with the creation of such security interests have been caused solely by the tardiness of USWA and/or its lawyers in attending to the same.

49. As to the professional fee issues referenced above in paragraph 44(e) MAP denies that it has breached any of its obligations under ¶ 8 of the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary.

50. As to the bargaining issues referenced above in paragraph 44(f), MAP denies that it has breached any of its obligations under ¶ 9 of the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary.

51. As to the change-of-control issues referenced above in paragraph 44(g), MAP denies that it has breached any of its obligations under ¶ C of Exhibit B to the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary.

52. As to the payroll benefits and other issues referenced above in paragraph 44(h), MAP denies that there is any binding agreement respecting such matters and/or denies that has breached any binding agreements in this regard.

53. Following receipt of the November 21, 2001 letter, MAP met with USWA representatives to discuss the aforementioned issues.

54. This meeting took place on or about November 28, 2001, and it was held at the Plant. During the meeting, representative of MAP and USWA discussed these and other issues, but no resolution of these issues was reached.

55. There is a real, existing, and continuing controversy respecting the aforementioned issues.

56. Declaratory relief will clarify the binding terms and conditions of the agreements between the parties respecting the aforementioned issues, as the parties have reached an impasse respecting the same.

WHEREFORE, MAP respectfully prays for declaratory judgment in its favor and against USWA that:

- A. ¶ 2 of the LOUII has not been breached by MAP;
- B. ¶ 3 of the LOUII has not been breached by MAP;
- C. Any breach of ¶ 4 of the LOUII is excused, that ¶ 4 of the LOUII has been modified by agreement of the parties, and/or that ¶ 4 of the LOUII should be reformed to reflect unanticipated changes in the markets for electricity;
- D. ¶ 7 of the LOUII has not been breached by MAP;
- E. ¶ 8 of the LOUII has not been breached by MAP;
- F. ¶ 9 of the LOUII has not been breached by MAP;
- G. ¶ C of Exhibit B of the LOUII has not been breached by MAP;
- H. MAP has no binding obligations vis-à-vis the payroll benefit issues, and/or that MAP has not breached any binding obligations it may have vis-à-vis these issues; and

I. All other and further relief to which Longview is entitled as a matter of law and/or equity.

Dated: December 3, 2001

Respectfully submitted,
LONGVIEW, L.L.C. AND
MICHIGAN AVENUE PARTNERS, L.L.C.,
Plaintiffs

By: _____

One of its attorneys

Steven J. Thompson
Kevin B. Duff
Drew G.A. Peel
JENKENS & GILCHRIST, P.C.
225 West Washington Street, Suite 2600
Chicago, Illinois 60606
(312) 425-3900
fax(312) 425-3909
Firm Id# 37326

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

LONGVIEW ALUMINUM, L.L.C., a)	
Delaware Corporation, MICHIGAN AVENUE)	
PARTNERS, L.L.C., an Illinois Corporation,)	
)	
Plaintiffs,)	Civil Action No. 02-C-0048
)	
v.)	
)	Judge Ruben Castillo
UNITED STEELWORKERS OF AMERICA,)	Magistrate Judge Arlander Keys
DAVID FOSTER, an individual,)	
)	
Defendants.)	
_____)	

**JOINT ANSWER OF DEFENDANTS AND
COUNTERCLAIM OF DEFENDANT
UNITED STEELWORKERS OF AMERICA**

Defendants United Steelworkers of America (USWA) and David Foster hereby answer plaintiffs' complaint. USWA also hereby asserts its counterclaim against plaintiffs.

Defendant's Answer to Plaintiffs' Complaint for Equitable, Legal & Declaratory Relief

First Defense

Defendants hereby answer the numbered paragraphs of plaintiffs' complaint as follows. Consistent with Local Rule 10.1, the text of plaintiffs' averments are reproduced in italics.

1. *Plaintiff Longview, L.L.C. ("Longview"), is a Delaware corporation, its headquarters is in Cook County, Illinois, and it is the owner of an aluminum smelting plant and facility (the "Plant") in Longview, Washington.*

Defendants admit that Longview is an owner of the Plant, but defendants deny any implication that Longview is the only owner of the Plant. Defendants are without knowledge or

information sufficient to form a belief as to the truth of the allegation that Longview is a Delaware corporation and that its headquarters is in Cook County, Illinois.

2. *Plaintiff Michigan Avenue Partners, L.L.C. ("MAP"), is an Illinois corporation, its headquarters is in Cook County, Illinois, and it provides management and consulting services to Longview.*

Defendants admit that MAP provides management and consulting services to Longview, but defendants deny any implication that this is the only relationship between MAP and Longview. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegation that MAP is an Illinois corporation and that its headquarters is in Cook County, Illinois.

3. *On information and belief, defendant United Steel Workers of America, Incorporated ("USWA"), is a Pennsylvania corporation, and its headquarters is in Pittsburgh, Pennsylvania. USWA, through its District 11 and respective Local, is the recognized collective bargaining entity at Longview and represents certain of Longview's hourly employees.*

Defendants admit that USWA is headquartered in Pittsburgh, Pennsylvania, but defendants deny that USWA is a Pennsylvania corporation. Rather, defendants aver that USWA is an unincorporated association. Defendants admit that USWA represents certain of Longview's hourly employees, but defendants deny that USWA, through its District 11 and respective Local, is the recognized collective bargaining entity at Longview.

4. *Defendant David Foster is the Director of USWA District 11, whose main office is in Minneapolis, Minnesota.*

Admitted.

5. *The matters in controversy here exceed \$50,000, exclusive of costs and interests.*

Admitted.

6. *This court has personal jurisdiction over USWA, as USWA conducts business in Cook County, Illinois.*

Admitted.

7. *This court has personal jurisdiction over Foster, as Foster directed harmful acts toward plaintiffs in Cook County, Illinois.*

Denied.

8. *This court has jurisdiction over the subject matter of plaintiffs' claims.*

Defendants admit that the United States District Court for the Northern District of Illinois has jurisdiction over the subject matter of plaintiffs' claims. To the extent that this paragraph makes any other averment that requires denial or admission, it is denied.

9. *Venue in this Circuit is proper, as a substantial part of the acts or omissions giving rise to the claims asserted herein occurred in this Circuit and/or were intended to injure plaintiffs in this Circuit.*

Defendants admit that venue in the Northern District of Illinois is proper as to defendant USWA, but defendants deny that venue is proper as to defendant Foster. Defendants deny all other averments in this paragraph.

10. *On or about February 26, 2001, Longview entered into a "Curtailment Agreement" with the United States Department of Energy, Bonneville Power Administration (the "BPA").*

Defendants admit that in February 2001 Longview entered into a Curtailment Agreement with BPA. Defendants are without knowledge or information sufficient to form a belief as to the exact date on which the Curtailment Agreement was executed.

11. *Pursuant to the Curtailment Agreement, inter alia, Longview agreed to curtail the Plant's consumption of electrical power provided by the BPA, from the period March 1, 2001 through June 30, 2002, notwithstanding Longview's contractual entitlement to procure a large amount of power from the BPA at fixed rates that were substantially below then-prevailing market rates for electric power in the vicinity of the Plant.*

This paragraph purports to characterize the Curtailment Agreement. The Curtailment Agreement speaks for itself and no response is required. To the extent that a response is required, defendants admit that this averment accurately characterizes a portion of the Curtailment Agreement, but defendants deny any implication that this is the only pertinent portion of the Curtailment Agreement.

12. *In exchange for the Plant's curtailment of its power consumption, pursuant to the Curtailment Agreement, the BPA agreed to pay Longview the aggregate sum of \$226,000,000, payable by wire transfer in 12 monthly installments, commencing March 20, 2001, and concluding February 20, 2002.*

This paragraph purports to characterize the Curtailment Agreement. The Curtailment Agreement speaks for itself and no response is required. To the extent that a response is required, defendants admit that this averment accurately characterizes a portion of the Curtailment Agreement, but defendants deny any implication that this is the only pertinent portion of the Curtailment Agreement.

13. *Following execution of the Curtailment Agreement, and pursuant to the parties' agreement, Longview curtailed the Plant's power consumption by shutting down its smelters, and the BPA began paying the monthly installments by wire transfer to Longview's accounts.*

Defendants admit that the Plant's power consumption was curtailed by shutting down its smelters. Defendants are without knowledge or information sufficient to form a belief as to the truth of the remaining averments in this paragraph.

14. *The Curtailment Agreement originally contemplated that the BPA would wire funds to three separate accounts - including, an escrow account referenced in Exhibit B, Table 2 of the Curtailment Agreement (the "Escrow Account").*

Defendants admit that the Curtailment Agreement required BPA to wire funds to three separate accounts, including the Escrow Account. Defendants deny the averment of this paragraph to the extent that it implies that the payment of funds to three separate accounts was merely "originally contemplated," rather than required.

15. *However, because Longview and USWA had not reached agreement on and jointly established instructions for the Escrow Account, through no fault of Longview's, Longview directed the BPA to wire the Escrow Account funds to a designated account at the Bank of America, set aside for the purposes of meeting Longview hourly payroll obligations (the "Proper Account").*

Defendants admit that Longview directed BPA to wire the Escrow Account funds to a designated account at the Bank of America. Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegation that this account was set aside for the purposes of meeting Longview hourly payroll obligations. All other averments of this paragraph are denied.

16. *Accordingly, before the BPA made any disbursements pursuant to the Curtailment Agreement, the parties orally agreed that BPA would wire the Escrow Account funds to the Proper Account instead of the Escrow Account.*

This paragraph contains an averment which is too vague to be either admitted or denied, because the term “the parties” is not defined. To the extent that admission or denial is required, all averments in this paragraph are denied.

17. *The BPA thus proceeded to make the first eight installment payments to the designated and established accounts, including the Proper Account, without incident and in accordance with the parties’ agreements and understandings.*

Defendants admit that BPA proceeded to make eight installment payments to certain accounts of Longview. All other averments of this paragraph are denied.

18. *Pursuant to the Curtailment Agreement, the ninth monthly installment due and owing Longview on November 20, 2001, was in the aggregate amount of \$14,583,333.00, and the Proper Account portion of this was \$3,100,000.00.*

Defendants admit that the ninth monthly installment due and owing on November 20, 2001 was in the aggregate amount of \$14,583,333.00. All other averments of this paragraph are denied. Defendants further aver that the \$3,100,000.00 portion of the aggregate amount was owed to the Escrow Account.

19. *On or about November 15, 2001, Longview’s Vice Chairman, John Kolleng, received a call from the office of Mark Miller, who was BPA’s Account Executive for the Curtailment Agreement, inquiring as to whether \$3.1 million of the amounts due on November 20, 2001, should be directed to an account different from the Proper Account.*

Defendants are without knowledge or information sufficient to form a belief as to the truth of the averments of this paragraph.

20. *In response, Longview’s Vice Chairman stated that the status quo should continue, funds should continue to be wired to the same accounts that they had been wired to for*

the preceding eight monthly installments, including the Proper Account, no changes should be made to the parties' payment arrangements, nor had Longview authorized any such changes to the parties' course of dealing and agreements respecting the same.

Defendants are without knowledge or information sufficient to form a belief as to the truth of the averments of this paragraph.

21. *Upon hearing this, the representative from Mark Miller's office expressed relief that no changes to the existing procedures would have to be processed, and Longview therefore assumed, understood, and expected that monies would be wired to the same accounts as they had been for the prior eight installments, including the Proper Account.*

Defendants are without knowledge or information sufficient to form a belief as to the truth of the averments of this paragraph.

22. *Nonetheless, notwithstanding the parties' oral agreements, their eight-month course of dealing, and Longview's recent reaffirmation of the same, on or about November 20, 2001, Longview discovered that \$3.1 million of the funds due and owing by the BPA to Longview pursuant to the Curtailment Agreement (hereafter the "Converted Funds") had been wired not to the Proper Account, but to a different account under the custody and control of the USWA.*

Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegation that on or about November 20, 2001, Longview discovered that \$3.1 million had been wired to a different account. All other averments of this paragraph are denied.

23. *On information and belief, the Converted Funds were wired to the USWA account as a result of false and misleading representations that David Foster, the Director of USWA District 11, made to Mark Miller, on or before November 20, 2001, respecting USWA's entitlement to the Converted Funds.*

Denied.

24. *Upon discovering that \$3.1 million had been wired to the USWA's account, on or about November 20, 2001, Longview contacted USWA representatives and demanded return of the Converted Funds, which demands were repeated several times by telephone and in person, as well as in letters to Director Foster of November 30, 2001 and other representatives of USWA.*

Defendants admit that on or about November 20, 2001, Longview contacted USWA representatives and demanded return of \$3.1 million, which demands were repeated several times by telephone and in person, as well as in letters to Director Foster of November 30, 2001 and other representatives of USWA. All other averments of this paragraph are denied.

25. *Despite Longview's oral and written demands for return of the Converted Funds, USWA has failed and refused to return the Converted Funds.*

Defendants admit that USWA has not caused \$3.1 million to be returned to Longview from the Escrow Account, as Longview has demanded. All other averments of this paragraph are denied.

26. *On information and belief, USWA's actions in causing the BPA to pay the Converted Funds into USWA's account were undertaken intentionally and maliciously for, inter alia, the purpose of gaining unfair leverage over Longview so as to extract additional benefits and concessions from Longview to which USWA is not entitled.*

Denied.

WHEREFORE, plaintiff Longview respectfully requests an award in its favor and against USWA for the following:

- A. *\$3.1 million, the amount of the Converted Funds;*
- B. *Punitive damages in an amount to be determined at trial;*

C. *Interest on the \$3.1 million of Converted Funds, from November 19, 2001 through the date of Longview's receipt of the same;*

D. *Longview's costs in bringing and prosecuting this action;*

E. *All other and further relief to which Longview is entitled as a matter of law and/or equity.*

This is a prayer for relief, to which no response is required. To the extent a response is required, defendants deny that Longview is entitled to the relief requested or to any relief.

27. *Longview repeats and re-alleges paragraphs 1 - 26 of this Complaint, as though it had fully set forth the same hereinafter.*

This paragraph requires no response. To the extent that a response is required, defendants repeat their responses to paragraphs 1-26 of the Complaint, as though they had fully set forth the same hereinafter.

28. *USWA, as a consequence of the foregoing, has been unjustly enriched in the amount of \$3.1 million, plus interest accruing on that amount.*

Denied.

29. *It would be unjust and inequitable for USWA to retain these monies that are the property of Longview.*

Denied.

WHEREFORE, plaintiff Longview respectfully requests an award in its favor and against USWA for the following:

A. *\$3.1 million, the amount of the Converted Funds;*

B. *Interest on the \$3.1 million of Converted Funds, from November 19, 2001 through the date of Longview's receipt of the same;*

C. *Longview's costs in bringing and prosecuting this action;*

D. *All other and further relief to which Longview is entitled as a matter of law and/or equity.*

This is a prayer for relief, to which no response is required. To the extent a response is required, defendants deny that Longview is entitled to the relief requested or to any relief.

30. *Longview repeats and re-alleges paragraphs 1 - 29 of this Complaint; as though it had fully set forth the same hereinafter.*

This paragraph requires no response. To the extent that a response is required, defendants repeat their responses to paragraphs 1-29 of the Complaint, as though they had fully set forth the same hereinafter.

31. *The Curtailment Agreement, as orally modified and confirmed by the parties' course of dealing and the express reaffirmation by Kolleng, is a valid and enforceable agreement.*

Defendants admit that the Curtailment Agreement, as written, is a valid and enforceable agreement. The other averments of this paragraph are too vague to require admission or denial. To the extent that a response is required, all other averments of this paragraph are denied.

32. *At all times relevant hereto, USWA was aware of the Curtailment Agreement, the parties' oral modifications of that agreement, and the eight-month course of dealing vis-à-vis the wire transfer of funds to the Proper Account.*

Defendants admit that USWA has been aware since approximately February 26, 2001 that a Curtailment Agreement exists. Defendants further admit that USWA became aware of the specific provisions of the Curtailment Agreement in approximately November 2001. All other averments of this paragraph are denied.

33. *With such knowledge, USWA has wrongfully and intentionally interfered with the BPA's performance, inter alia, by inducing the BPA to direct the Converted Funds to USWA's account in breach of the BPA's agreement and course of dealing with Longview.*

Denied.

34. *On information and belief, USWA has intentionally and maliciously induced the BPA's breach of the Curtailment Agreement to harm Longview and/or extract additional benefits and concessions from Longview in ongoing negotiations and disputes.*

Denied.

35. *As a direct and proximate result of USWA's tortious interference, Longview has not received \$3.1 million in funds due and owing it under the Curtailment Agreement and, as a consequence, and as USWA is aware, Longview has had to borrow funds to satisfy payroll and other obligations to, among others, USWA members employed by the Plant.*

Denied.

WHEREFORE, plaintiff Longview respectfully requests an award in its favor and against USWA for the following:

- A. *\$3.1 million, the amount of the funds Longview has been deprived of as a result of the BPA breach that USWA induced;*
- B. *Punitive damages in an amount to be determined at trial;*
- C. *Interest on the \$3.1 million of Converted Funds, from November 19, 2001 through the date of Longview's receipt of the same;*
- D. *Longview's costs in bringing and prosecuting this action;*
- E. *All other and further relief to which Longview is entitled as a matter of law and/or equity.*

This is a prayer for relief, to which no response is required. To the extent a response is required, defendants deny that Longview is entitled to the relief requested or to any relief.

36. *Longview repeats and re-alleges paragraphs 1 - 35 of this Complaint, as though it had fully set forth the same hereinafter.*

This paragraph requires no response. To the extent that a response is required, defendants repeat their responses to paragraphs 1-35 of the Complaint, as though they had fully set forth the same hereinafter.

37. *The Curtailment Agreement, as orally modified and confirmed by the parties' course of dealing and the express reaffirmation by Kolleng, is a valid and enforceable agreement.*

Defendants admit that the Curtailment Agreement, as written, is a valid and enforceable agreement. The other averments of this paragraph are too vague to require admission or denial. To the extent that a response is required, all other averments of this paragraph are denied.

38. *At all times relevant hereto, Foster was aware of the Curtailment Agreement, the parties' oral modifications of that agreement, and the eight-month course of dealing vis-à-vis the wire transfer of funds to the Proper Account.*

Defendants admit that Foster has been aware since approximately February 26, 2001 that a Curtailment Agreement exists. Defendants further admit that Foster became aware of certain specific provisions of the Curtailment Agreement in approximately November 2001. All other averments of this paragraph are denied.

39. *With such knowledge, and on information and belief, Foster has wrongfully and intentionally interfered with the BPA's performance, inter alia, by inducing the BPA to wire the*

Converted Funds to a USWA account in breach of the BPA's agreement and course of dealing with Longview.

Denied.

40. *On information and belief, Foster has intentionally and maliciously induced the BPA's breach of the Curtailment Agreement out of spite or dislike for Longview and/or its owners.*

Denied.

41. *As a direct and proximate result of Foster's tortious interference, Longview has not received \$3.1 million in funds due and owing it under the Curtailment Agreement, and, as a consequence, and as Foster is aware, Longview has had to borrow funds to satisfy payroll and other obligations to, among others, USWA members employed by the Plant.*

Denied.

WHEREFORE, plaintiff Longview respectfully requests an award in its favor and against Foster for the following:

- A. *\$3.1 million, the amount of the funds Longview has been deprived of as a result of the BPA breach that Foster induced;*
- B. *Punitive damages in an amount to be determined at trial;*
- C. *Interest on the \$3.1 million of Converted Funds, from November 19, 2001 through the date of Longview's receipt of the same;*
- D. *Longview's costs in bringing and prosecuting this action;*
- E. *All other and further relief to which Longview is entitled as a matter of law and/or equity.*

This is a prayer for relief, to which no response is required. To the extent a response is required, defendants deny that Longview is entitled to the relief requested or to any relief.

42. *MAP repeats and re-alleges paragraphs 1 - 41 of this Complaint, as though it had fully set forth the same hereinafter.*

This paragraph requires no response. To the extent that a response is required, defendants repeat their responses to paragraphs 1-41 of the Complaint, as though they had fully set forth the same hereinafter.

43. *On or about February 18, 2001, MAP and USWA entered into a Letter of Understanding ("LOUII").*

Admitted.

44. *After the USWA converted \$3.1 million in Longview funds, as set forth above, in a letter dated November 21, 2001, USWA accused MAP of breaching the LOUII in various respects, including:*

- (a) Failing to meet obligations with respect to the establishment and funding of a Voluntary Employees' Benefit Association ("VEBA"), as described in LOUII ¶ 2;*
- (b) Failing to meet obligations with respect to the establishment and funding of the Escrow Account, as described in LOUII ¶ 3;*
- (c) Failing to meet obligations with respect to the construction of a power generation facility, as described in LOUII ¶ 4;*
- (d) Failing to meet obligations with respect to the granting of a security interest to USWA, as described in LOUII ¶ 7;*
- (e) Failing to meet an obligation with respect to the payment of certain professional fees, as described in LOUII ¶ 8;*

(f) *Failing to meet obligations with respect to final offer interest arbitration for reopener bargaining for Longview and for McCook to cover the period from May 31, 2001 to May 31, 2002, as described in LOUII ¶ 9;*

(g) *Failing to meet obligation with respect to a change in control of the Plant, as described in LOUII, Exhibit B, ¶ C; and*

(h) *Failing to meet certain payroll benefits and other obligations, as described in a December 20, 2001, letter of intent.*

Defendants deny the averment that USWA converted \$3.1 million in Longview funds. The remaining averments of this paragraph purport to characterize the letter of November 21, 2001. This letter speaks for itself, and no response is required. To the extent a response is required, defendants admit that the averments of this paragraph and its subparagraphs accurately summarize portions of the letter of November 21, 2001, but deny that these are the only pertinent portions of the letter.

45. *As to the VEBA issues referenced above in paragraph 44(a), MAP denies that it has breached any of its obligations under ¶ 2 of the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary.*

The averments of this paragraph state legal conclusions as to which no response is required. To the extent a response is required, the averments of this paragraph are denied.

46. *As to the Escrow Account issues referenced above in paragraph 44(b), MAP denies that it has breached any of its obligations under ¶ 3 of the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary.*

The averments of this paragraph state legal conclusions as to which no response is required. To the extent a response is required, the averments of this paragraph are denied.

47. *As to the power generation issues referenced above in paragraph 44(c), MAP admits that it has not begun permitted construction as contemplated by LOUII ¶ 4, but MAP asserts:*

- (a) that its failure to do so is immaterial and irrelevant in view of its pursuit of alternative long-term sources of power that would accomplish the same purposes as construction of a dedicated power facility for the Plant at substantial savings to the Plant;*
- (b) that MAP should be excused from these obligations on the grounds of impossibility, mistake, and/or unconscionability;*
- (c) that USWA has breached its covenant of good-faith and fair dealing in asserting MAP's breach of ¶ 4 of the LOUII;*
- (d) that USWA's prior material breaches of the LOUII excused MAP from performing its obligations under the LOUII; and/or*
- (e) that USWA agreed to modify the obligations of ¶ 4 in light of the changes in the electricity markets and in light of the failings of the contractor retained to begin construction of an independent generating facility for the Plant.*

The averments of this paragraph and its subparagraphs state legal conclusions as to which no response is required. To the extent a response is required, the averments of this paragraph and each of its subparagraphs are denied.

48. *As to the lien issues referenced above in paragraph 44(d) MAP denies that it has breached any of its obligations under ¶ 7 of the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary, as the delays associated with the creation of such security interests have been caused solely by the tardiness of USWA and/or its lawyers in attending to the same.*

The averments of this paragraph state legal conclusions as to which no response is required. To the extent a response is required, the averments of this paragraph are denied.

49. *As to the professional fee issues referenced above in paragraph 44(e) MAP denies that it has breached any of its obligations under ¶ 8 of the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary.*

The averments of this paragraph state legal conclusions as to which no response is required. To the extent a response is required, the averments of this paragraph are denied.

50. *As to the bargaining issues referenced above in paragraph 44(f), MAP denies that it has breached any of its obligations under ¶ 9 of the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary.*

The averments of this paragraph state legal conclusions as to which no response is required. To the extent a response is required, the averments of this paragraph are denied.

51. *As to the change-of-control issues referenced above in paragraph 44(g), MAP denies that it has breached any of its obligations under ¶ C of Exhibit B to the LOUII and asserts that USWA has breached its covenants of good-faith and fair dealing in asserting to the contrary.*

The averments of this paragraph state legal conclusions as to which no response is required. To the extent a response is required, the averments of this paragraph are denied.

52. *As to the payroll benefits and other issues referenced above in paragraph 44(h), MAP denies that there is any binding agreement respecting such matters and/or denies that has [sic] breached any binding agreements in this regard.*

The averments of this paragraph state legal conclusions as to which no response is required. To the extent a response is required, the averments of this paragraph are denied.

53. *Following receipt of the November 21, 2001 letter, MAP met with USWA representatives to discuss the aforementioned issues.*

Admitted.

54. *This meeting took place on or about November 28, 2001, and it was held at the Plant. During the meeting, representative [sic] of MAP and USWA discussed these and other issues, but no resolution of these issues was reached.*

Admitted, except that defendants deny any implication that all of the issues identified in paragraphs 44-52 were discussed in the meeting.

55. *There is a real, existing, and continuing controversy respecting the aforementioned issues.*

Admitted.

56. *Declaratory relief will clarify the binding terms and conditions of the agreements between the parties respecting the aforementioned issues, as the parties have reached an impasse respecting the same.*

The averments of this paragraph state legal conclusions as to which no response is required. To the extent a response is required, the averments of this paragraph are denied.

WHEREFORE, MAP respectfully prays for declaratory judgment in its favor and against USWA that:

- A. *¶ 2 of the LOUII has not been breached by MAP;*
- B. *¶ 3 of the LOUII has not been breached by MAP;*
- C. *Any breach of ¶ 4 of the LOUII is excused, that ¶ 4 of the LOUII has been modified by agreement of the parties, and/or that ¶ 4 of the LOUII should be reformed to reflect unanticipated changes in the markets for electricity;*

- D. ¶ 7 of the LOUII has not been breached by MAP;
- E. ¶ 8 of the LOUII has not been breached by MAP;
- F. ¶ 9 of the LOUII has not been breached by MAP;
- G. ¶ C of Exhibit B of the LOUII has not been breached by MAP;
- H. MAP has no binding obligations vis-à-vis the payroll benefit issues, and/or that MAP has not breached any binding obligations it may have vis-à-vis these issues; and
- I. All other and further relief to which Longview is entitled as a matter of law and/or equity.

This is a prayer for relief, to which no response is required. To the extent a response is required, defendants deny that MAP is entitled to the relief requested or to any relief.

Second Defense

This Court lacks personal jurisdiction over defendant Foster.

Third Defense

Plaintiffs are not entitled to equitable relief (including declaratory judgment) because of their own unclean hands, in that they have breached their several agreements with USWA, and also have breached the Curtailment Agreement with BPA.

Fourth Defense

Plaintiffs are barred from alleging conversion because they have contractual remedies available to resolve the dispute over the allegedly converted funds.

Fifth Defense

Any alleged conversion by defendant USWA was both privileged and justified.

Sixth Defense

Because the Escrow Account into which the funds in question were transferred by BPA has a contractual entitlement to receive them and an ownership interest in them, defendant USWA could not be liable in conversion for any act it may have taken which may have caused that transfer to take place.

Seventh Defense

Because plaintiffs agreed in the Curtailment Agreement that the funds in question would be transferred directly by BPA to the Escrow Account, they have consented to the transfer and the transfer cannot constitute conversion.

Eighth Defense

Because the Curtailment Agreement provides that the funds in question are to be transferred by BPA to the Escrow Account, any act defendants may have taken that may have caused such transfer to take place cannot constitute interference with plaintiffs' rights under the Curtailment Agreement.

Ninth Defense

Any interference by defendants in the contract between plaintiffs and BPA was both privileged and justified.

Tenth Defense

Longview's claims for tortious interference in Counts III and IV are preempted to the extent that they purport to arise under state law, because they require the interpretation of a contract to which a federal agency is a party and which promotes distinct federal interests and is therefore governed by federal common law.

Eleventh Defense

Plaintiffs are not entitled to a declaratory judgment concerning the existence of a breach of LOUII because they have failed to exhaust the contractual dispute resolution process provided for in LOUII.

Twelfth Defense

MAP's claim for declaratory judgment seeks an inappropriate anticipatory declaratory judgment, in an attempt by MAP to choose the forum to adjudicate USWA's action against MAP for breach of MAP's agreements with USWA. On that basis, Count V of the complaint should be dismissed.

Thirteenth Defense

To the extent that Count V of the complaint purports to be a claim arising under state contract law, it is preempted by Section 301 of the Labor Management Relations Act, 29 U.S.C. § 185.

WHEREFORE, defendants pray that the Complaint be dismissed with prejudice, that plaintiffs take nothing, and that defendants be awarded reasonable costs and attorneys' fees in this action and such other relief as this Court may deem appropriate.

Counterclaim of Defendant USWA

Breach of Contracts Between Employers and a Labor Organization

As its counterclaim against plaintiffs Longview and MAP, defendant USWA alleges as follows:

The Parties

1. USWA is a labor organization representing employees in an industry affecting commerce.
2. Longview and MAP are each employers within the meaning of 29 U.S.C. § 185.
3. During USWA's course of dealings with MAP and Longview, MAP and Longview have held themselves out as affiliated entities under common control and as agents of each other.
4. With respect to the matters alleged herein, MAP and Longview are each other's alter ego and agent.

The Curtailment Agreement

5. The Curtailment Agreement entered into by BPA and Longview provides that "A portion of the monetary benefits of this Agreement will be used to enable the Company to retain its workforce. A separate agreement between an affiliate of the Company and the United Steelworkers of America provides that Smelter employees will be compensated during the curtailments. Employee compensation will mitigate the impact of the curtailment on the local

community.... These actions also make it possible for the Company to develop new generating resources to replace its BPA power supply no later than September 30, 2006.” Curtailment Agreement, Recitals at 3 (attached hereto as Exhibit A).

6. Paragraph 9 of the Curtailment Agreement, entitled “Company Obligations To Employees,” provides that “During the period from the Effective Date through June 30, 2002, the Company shall provide compensation, benefits, and other expenditures related to employee layoffs, maintaining additional employees not required for operations at the reduced level and/or job reassignments as a result of reduced Smelter operating levels. By separate agreement and subject to the terms of such separate agreement, an affiliate of the Company has agreed with the United Steelworkers of America to maintain the minimum employment levels and/or make special supplemental payments to employees employed by the Smelter as of the Effective Date.”

7. Paragraph 10 of the Curtailment Agreement provides that the funds to be paid by BPA to Longview may only be spent for certain “Qualified Expenditures.” Among the expenditures designated as “qualified expenditures” by Paragraph 10 are “Compensation, benefits, pension fund payments and other expenditures related to persons who were employees of the Smelter as of January 1, 2001,” and “Expenditures incurred for the planning, licensing, siting, acquisition, and/or construction of conventional or renewable resources to provide power for future Company operations....”

8. Exhibit B of the Curtailment Agreement provides that BPA will wire funds on or about the twentieth of each month, beginning March 20, 2001, and ending February 20, 2002, to the Escrow Account located at National City Bank in Cleveland, Ohio, which is identified in said Exhibit B as Account Number 46P14335007. Exhibit B reflects that the aggregate total of funds to be wired to the Escrow Account is \$29,750,000.00.

9. Paragraph 15(a) of the Curtailment Agreement provides that “No oral or written amendment, rescission, waiver, modification, or other change of this Agreement shall be of any force or effect unless set forth in a written instrument signed by authorized representatives of each Party.”

10. On information and belief, no written instrument reflecting any amendment, rescission, waiver, modification or other change of the Curtailment Agreement has been signed by authorized representatives of each party to that Agreement.

The Agreements Between USWA, MAP and Longview

11. On or about December 20, 2000, USWA and MAP entered into an agreement in which USWA agreed to support and assist MAP’s plan to purchase the Plant and sell the Plant’s allotment of BPA power (the “Assistance Agreement”) (attached hereto as Exhibit B).

12. Paragraph 2.A of the Assistance Agreement provides that during any period during which Plant power is being sold, “all Employees of Longview (defined as those employees represented by the USWA on the Longview employee roster as of the date of the closing of the Purchase) shall be provided with either: (i) the opportunity to work a regular workweek; or (ii) (a) Special Supplemental Payments (“SSP”) so that their income (including State Unemployment Insurance, if available) will be equal to what it would have been had they been working a regular workweek and; (b) all benefits (“Benefits”) that the employee would have received (as defined in the current collective bargaining agreement [“CBA”] between the USWA and Alcoa/Reynolds as it applies to Longview) had the employee been employed on a regular, full-time basis. For the purposes of this Agreement, a regular workweek is defined as forty (40) straight time hours.”

13. One Benefit that employees are entitled to receive (as defined in the CBA) is the right to make certain contributions to a Savings Plan (the “401(k) Plan”), and to have the employer make certain contributions to the 401(k) Plan on the employees’ behalf.

14. Another Benefit that employees are entitled to receive (as defined in the CBA) is participation in a Supplemental Unemployment Benefit Plan (the “SUB Plan”), which the employer is required to maintain and fund in accord with the CBA.

15. An additional Benefit that employees are entitled to receive (as defined in the CBA) is vacation time and vacation pay, calculated based on the amount of the employees’ qualified vacation service.

16. Paragraph 2.B of the Assistance Agreement provides that to the extent any proceeds from the sale of power remain after payment of the SSPs, those proceeds shall be used for other specified purposes, including “To invest in or otherwise create access to new generating capacity (‘Generating Capacity’) with such Generating Capacity used directly or indirectly to provide low-cost power to fully operate Longview in a long-term viable manner.”

17. Paragraph 6 of the Assistance Agreement provides that “No modification or alteration of the terms contained in this Agreement shall be of any force or effect unless such modification or alteration is by mutual written consent.”

18. Except to the extent described in paragraphs 20 through 42 of this counterclaim, there has been no mutual written consent to any modification or alteration of the terms contained in the Assistance Agreement.

19. Paragraph 7 of the Assistance Agreement provides that “Failure of either party to enforce any of the provisions of this Agreement, of any rights with respect thereto, or failure to exercise any election provided for herein, shall in no way be considered a waiver of such

provisions, rights or elections in the future nor shall prejudice such party from later enforcing or exercising the same or any other provisions.”

20. On or about January 19, 2001, MAP and USWA entered into a Letter of Understanding (“LOU I”) to confirm their “agreement regarding MAP’s proposed Purchase of Longview.” LOU I at 1 (attached hereto as Exhibit C).

21. Paragraph 2.A of LOU I provides that Longview shall “Offer employment, under the terms and conditions of the currently existing collective bargaining agreement ... to all individuals who were employees of Longview as the term employee is defined in the Current CBA as of January 1, 2001 and who did not quit, die, or retire prior to the closing of the Purchase (‘Employees’).”

22. Paragraph 2.B of LOU I provides that Longview shall “assume the Current CBA.”

23. On or about February 18, 2001, USWA and MAP entered a Letter of Understanding (“LOU II”) to provide “for detailed application of the parties’ Agreement of December 20, 2000 ... and their Letter of Understanding of January 19, 2001. It also sets forth other agreements between the parties.” LOU II at 1 (attached hereto as Exhibit D).

24. Paragraph 1 of LOU II provides that “MAP shall perform or cause to be performed all promises contained herein whether stated as those of MAP [or] Longview Aluminum, LLC....”

25. Paragraph 2(a) of LOU II provides that Longview employees who were employed as of January 1, 2001, but who would be eligible for retirement as of the closing date, are to be paid a \$25,000 payment by Longview if they chose to retire within 30 days of the closing. Paragraph 2(a) further provides that in the event that such an employee does not choose to retire by the thirtieth day following the closing, the employee is to be permitted to continue as an

employee. Paragraph 2(a) further provides that Longview will establish and administer a Voluntary Employees' Beneficiary Association (VEBA) "for the exclusive benefit and purpose of paying the retiree insurance benefits of these individuals upon their retirement," and that Longview will fund the VEBA with three equal payments, each equal to one-third of the FAS 106 Liability associated with these individuals, to be paid no later than June 30, 2001, September 30, 2001, and December 31, 2001.

26. Paragraph 3(a) of LOU II also provides that USWA and Longview are to establish a separate Escrow Account in order "to secure funding for the Special Supplemental Payments (SSP's) and Benefits necessitated by the Curtailment Agreement ... and the December 20 Agreement (as well as straight-time wages, COLA, and holiday pay earned by Employees who work between the Closing and March 31, 2002)."

27. Paragraph 3(b) of LOU II provides that MAP is to initially fund the Escrow Account with \$2,000,000.00 at the time of the Closing.

28. Paragraph 3(c) of LOU II provides that MAP and USWA will "jointly determine the maximum liability for SSP's and Benefits (other than for accruing pension benefits) ("MLSB") representing the obligations that MAP would have for SSP's and Benefits (other than employer contributions for accruing pension benefits) if no Employee were to work between the Closing and March 31, 2002." Under paragraph 3(c), the MLSB is to be calculated by determining all of the wages that would be owed to employees if they worked 40 hours straight time (with the addition of COLA and holiday pay), multiplying that by the number of weeks and partial weeks between the Closing and March 31, 2002, adding the expected obligations for the benefits the employees would have received had they worked 40 hours straight time per week,

and decreasing the total by the amount of unemployment compensation employees could be expected to earn prior to March 31, 2002.

29. Pursuant to Paragraph 3(d) of LOU II, beginning on March 20, 2001, and continuing on or about the twentieth of each month thereafter, Longview was to transfer one-twelfth of the calculated MLSB (the “one-twelfth amount”) to the Escrow Account. Longview also was required, beginning on March 20, 2001, and continuing on or about the twentieth of each month thereafter, to transfer to the “Hourly Defined Benefit Pension Plan an amount equal to its expected pension contributions for pension benefits that accrued to Employees in the prior month.”

30. Paragraph 3(d)(iv) of LOU II provides that “Longview Aluminum shall seek agreement from the BPA for BPA to send the one-twelfth amount and pension contributions ... directly to the Escrow Account and Pension Fund....”

31. Paragraph 3(h) of LOU II provides that any funds remaining in the Escrow Account after March 31, 2002, are to be used for the benefit of employees, most particularly those employees who might still be on layoff as of that date. Paragraph 3(h) further provides that after March 31, 2002, MAP will make an additional contribution to the escrow account pursuant to a set formula. Paragraph 3(h) provides that this contribution is to be made in two payments, on April 1, 2002, and July 31, 2002.

32. Paragraph 4 of LOU II provides that “MAP commits to the USWA that it will, by no later than July 1, 2001, cause fully-permitted construction to begin on one or more combined-cycle natural gas-fired generation facilities....” Paragraph 4 further provides that, if necessary to complete the financing for this construction, MAP will “make an equity investment of up to \$35 million from its own funds.” Paragraph 4 further requires that the new generating facility “be

scheduled for completion and be completed by September 30, 2003, except in case of force majeure.” Paragraph 4 also provides that MAP shall make every possible effort to obligate the new facility to provide sufficient energy to enable Longview to operate fully and profitably for at least 15 years.

33. Paragraph 7(a) of LOU II provides that no later than September 20, 2001, Longview Aluminum shall grant a perfected security interest in all of the Longview Plant facilities, equipment and related personal property, to ensure the continued payment of specified employee benefits.

34. Paragraph 9 of LOU II provides that MAP, Longview, and USWA will “conduct contract reopener negotiations for contract changes which changes may be effective no earlier than May 31, 2001, and running through the May 31, 2002, expiration dates of the current CBA’s.” Paragraph 9 also provides that within 30 days following the Closing, Longview and USWA are to “design a procedure for reopener bargaining to commence on or before May 1, 2001. Such procedure shall include, if the parties are unable to reach agreement by thirty days after commencement of such bargaining, final-offer interest arbitration in lieu of any strike or lockout.”

35. Paragraph C of Exhibit B of LOU II provides that until the tenth anniversary of the Closing, no transaction resulting in a change of control of Longview will occur.

36. On or about February 22, 2001, an Escrow Agreement was entered into by MAP, USWA, and National City Bank, N.A. (“National City”). The Escrow Agreement is attached hereto as Exhibit E.

37. The Escrow Agreement established an Escrow Account with Account Number 46P14335007.

38. The Escrow Account established by the Escrow Agreement is the Escrow Account referred to in Exhibit B of the Curtailment Agreement.

39. The Escrow Agreement provides that the Escrow Account will receive the \$2,000,000.00 initial contribution that MAP was required to make by Paragraph 3(b) of LOU II.

40. On or about February 26, 2001, USWA and MAP entered into an agreement amending certain provisions of LOU II (the "Amendment Agreement") (attached hereto as Exhibit F).

41. Paragraph 3 of the Amendment Agreement modifies Paragraph 4 of LOU II by inserting a new sub-paragraph which provides that the obligation to cause new generating facilities to be constructed will be binding on MAP but not on Longview unless and until certain conditions are satisfied.

42. Paragraph 4 of the Amendment Agreement modifies Paragraph 7(a) of LOU II by replacing it with language which provides that the security interest described in that paragraph, will attach and be perfected on the occurrence of certain conditions.

43. On information and belief, all conditions required by Paragraph 4 of the Amendment Agreement have occurred.

Violations By MAP and Longview Of Their Agreements With USWA

44. MAP and Longview have violated their obligations, contained in Paragraph 2.A of the Assistance Agreement and Paragraph 3 of LOU II, to pay SSPs and Benefits to all eligible employees at levels equal to what the employees would have received had they worked a 40 hour week. Those violations have included the following:

- A. MAP and Longview have failed to permit employees to make voluntary contributions to the 401(k) Plan, and have failed to make required employer contributions to the 401(k) Plan, on a basis equal to what would have been contributed to the 401(k) Plan had employees worked a 40 hour week.
- B. On information and belief, MAP and Longview have failed to administer, maintain, and/or fund the SUB Plan on a basis calculated to provide payments equal to the payments that would have been made had employees worked a 40 hour week.
- C. On information and belief, MAP and Longview have failed to pay SSPs and Benefits to certain eligible employees.
- D. MAP and Longview have failed to credit employees with the vacation service they would have accrued had they worked a 40 hour week, resulting in a diminution of employees' vacation time and vacation pay.

45. On information and belief, MAP and Longview have failed to fund the VEBA in the manner, and in the amounts, required by Paragraph 2(a) of LOU II.

46. MAP and/or Longview have failed to grant a perfected security interest in all of the Plant facilities, in violation of Paragraph 7(a) of LOU II as amended by Paragraph 4 of the Amendment Agreement.

47. Although Paragraph 9 of LOU II requires USWA and MAP and submit to final-offer interest arbitration to resolve reopener bargaining to cover the period from May 31, 2001 to May 31, 2002, MAP and Longview have failed to complete the required interest arbitration contract and have refused to cooperate in the selection of arbitration dates.

48. MAP and Longview have caused the Plant to be offered for sale, in violation of Paragraph C of Exhibit B of LOU II.

49. MAP has failed to cause fully-permitted construction to begin by July 1, 2001, on one or more combined-cycle natural gas-fired generation facilities. MAP has also failed to make an equity investment of up to \$35 million from its own funds, as is necessary to complete the financing for construction of those generation facilities. Both of these failures are violations of Paragraph 2.B of the Assistance Agreement and Paragraph 4 of LOU II as amended by Paragraph 3 of the Amendment Agreement.

50. MAP and Longview have repeatedly violated their obligations with regards to the funding and establishment of the Escrow Account, as provided for in Paragraph 3 of LOU II and in the Escrow Agreement. These violations have included the following:

- A. MAP and Longview have refused to cooperate with USWA to jointly determine the MLSB that forms the basis of the escrow contributions that MAP and Longview are required to make, in violation of Paragraph 3(c) of LOU II. On information and belief, MAP and Longview continue to rely on their own proposed MLSB, which is set at an improperly low amount and which was determined without the participation of USWA.
- B. MAP and Longview failed to cause \$2,000,000.00 to be deposited into the Escrow Account at the time of the closing, and have refused to make this transfer at any time since the closing, in violation of Paragraph 3(b) of LOU II and in violation of the Escrow Agreement.
- C. MAP and Longview have failed to cause one-twelfth of the MLSB to be transferred to the Escrow Account on or about the twentieth of each month, in violation of Paragraph 3(d) of LOU II.

- D. Notwithstanding MAP's promise in Paragraph 3(d)(iv) of LOU II that Longview would attempt to cause BPA to transfer funds equal to the monthly MLSB contribution directly to the Escrow Account, MAP and Longview have caused BPA to transfer nine monthly payments directly to a different account, in violation of Paragraph 3(d)(iv).
- E. By failing and continuing to fail to make required transfers to the Escrow Account, MAP and Longview make it impossible for the Escrow Account to be used to provide enhanced SUB or other benefits to employees on layoff after March 31, 2002, thereby violating Paragraph 3(h) of LOU II.
- F. Despite USWA's contractual and equitable interest in the funds paid by BPA directly to MAP and/or Longview, MAP and Longview have refused to provide an accounting of these funds and the way in which they have been disbursed.

Claim for Relief

51. USWA repeats and realleges the allegations of paragraphs 1 through 50 of the counterclaim as though it had fully set forth the same hereinafter.

52. The Assistance Agreement, LOU I, LOU II, and the Escrow Agreement each constitute a contract between USWA and plaintiffs MAP and Longview.

53. By virtue of the acts and omissions set forth above, plaintiffs MAP and Longview have breached these contracts, giving rise to a claim for which relief may be granted pursuant to Section 301 of the Labor Management Relations Act, 29 U.S.C. § 185.

WHEREFORE, defendant USWA prays that this Court grant judgment in its favor and against plaintiffs and award the following relief:

1. A declaratory judgment stating that MAP and Longview have breached their contracts with USWA as specified above.
2. Compensatory and punitive damages in an amount to be determined at trial.
3. An order of specific performance requiring MAP and Longview to comply with the breached provisions of the contracts.
4. An award to USWA of its reasonable costs and attorneys' fees in this action.
5. Such other relief as this Court may deem appropriate.

Respectfully submitted,

JEREMIAH A. COLLINS
JON BOURGAULT
Bredhoff & Kaiser, P.L.L.C.
805 15th Street, N.W.
Suite 1000
Washington, DC 20005
(202) 842-2600 (phone)
(202) 842-1888 (fax)

DAVID L. GORE #26154
Gore & Gore
55 West Jackson
Suite 1332
Chicago, IL 60604
(312) 566-9236 (phone)
(312) 566-9237 (fax)

Dated: January 10, 2002

Attorneys for United Steelworkers of
America and David Foster

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Joint Answer of Defendants and Counterclaim of Defendant United Steelworkers of America was served by First Class U.S. Mail this 10th day of January, 2002, on plaintiffs' counsel:

Steven J. Thompson
Kevin B. Duff
Drew G.A. Peel
Jenkins & Gilchrist, P.C.
225 West Washington Street, Suite 2600
Chicago, IL 60606

David L. Gore

AP Bus Unit	Group ID	Voucher ID	Vendor ID	Remit Vndr	Location	Remitting Addr	Name	Invoice ID
POWER	000760	00005802	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	10786 032001
POWER	000760	00005802	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	10786 032001
POWER	000760	00005803	LONGALUM01	LONGALUM01	01	1	LONGVIEW ALUMINUM LLC	10786 032001
POWER	000760	00005803	LONGALUM01	LONGALUM01	01	1	LONGVIEW ALUMINUM LLC	10786 032001
POWER	000760	00005805	LONGALUM02	LONGALUM02	02	1	LONGVIEW ALUMINUM LLC	10786 032001
POWER	000760	00005805	LONGALUM02	LONGALUM02	02	1	LONGVIEW ALUMINUM LLC	10786 032001
POWER	000864	00006690	LONGALUM00	LONGALUM00	00	2	LONGVIEW ALUMINUM LLC	77090791 0301
POWER	000864	00006691	LONGALUM01	LONGALUM01	01	1	LONGVIEW ALUMINUM LLC	77090793 0301
POWER	000864	00006692	LONGALUM02	LONGALUM02	02	1	LONGVIEW ALUMINUM LLC	77090794 0301
POWER	000979	00008102	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090794 0401
POWER	000979	00008103	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090791 0401
POWER	000979	00008104	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090793 0401
POWER	001103	00009665	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090791 0501
POWER	001103	00009669	LONGALUM01	LONGALUM01	01	1	LONGVIEW ALUMINUM LLC	77090793 0501
POWER	001103	00009670	LONGALUM02	LONGALUM02	02	1	LONGVIEW ALUMINUM LLC	77090794 0501
POWER	001214	00010620	LONGALUM01	LONGALUM01	01	1	LONGVIEW ALUMINUM LLC	77090793 0601
POWER	001214	00010621	LONGALUM02	LONGALUM02	02	1	LONGVIEW ALUMINUM LLC	77090794 0601
POWER	001214	00010622	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090791 0601
POWER	001320	00011531	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090791 0701
POWER	001320	00011532	LONGALUM01	LONGALUM01	01	1	LONGVIEW ALUMINUM LLC	77090793 0701
POWER	001320	00011533	LONGALUM02	LONGALUM02	02	1	LONGVIEW ALUMINUM LLC	77090794 0701
POWER	001426	00012896	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090791 0801
POWER	001426	00012897	LONGALUM01	LONGALUM01	01	1	LONGVIEW ALUMINUM LLC	77090793 0801
POWER	001426	00012898	LONGALUM02	LONGALUM02	02	1	LONGVIEW ALUMINUM LLC	77090794 0801
POWER	001532	00014024	LONGALUM01	LONGALUM01	01	1	LONGVIEW ALUMINUM LLC	77090794 0901
POWER	001532	00014026	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090793 0901
POWER	001532	00014028	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090791 0901
POWER	001649	00014858	LONGALUM01	LONGALUM01	01	1	LONGVIEW ALUMINUM LLC	77090791 1001
POWER	001649	00014859	LONGALUM02	LONGALUM02	02	1	LONGVIEW ALUMINUM LLC	77090793 1001
POWER	001667	00014988	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090794 1001
POWER	001761	00015797	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090791 1101
POWER	001761	00015798	LONGALUM01	LONGALUM01	01	1	LONGVIEW ALUMINUM LLC	77090793 1101
POWER	001775	00015885	LONGALUM02	LONGALUM02	02	1	LONGVIEW ALUMINUM LLC	77090794 1101
POWER	001860	00016599	LONGALUM00	LONGALUM00	00	1	LONGVIEW ALUMINUM LLC	77090791 1201
POWER	001860	00016600	LONGALUM01	LONGALUM01	01	1	LONGVIEW ALUMINUM LLC	77090793 1201

2003-6580

17-3, 4

Box 8928

2003-6591

33-5-1, 2, 3

Box 1917

Box 2917

Box 4917

Box 6917

Box 7917

Box 9917

2003-6626

4-5-1, 2, 3, 4

Box 22922

2003-6622

7-1, 2

Box 1930

Box 2930

Box 3930

POWER 001867
POWER 001995
POWER 001995
POWER 002002

00016638 LONGALUM02 LONGALUM02 02
00017585 LONGALUM01 LONGALUM01 01
00017587 LONGALUM00 LONGALUM00 00
00017661 LONGALUM02 LONGALUM02 02

1 LONGVIEW ALUMINUM LLC
1 LONGVIEW ALUMINUM LLC
1 LONGVIEW ALUMINUM LLC
1 LONGVIEW ALUMINUM LLC

77090794 1201
77090793 0102
77090791 0102
77090794 0102

Box 4930
Box 5930

PO/Contract ID	PO/Contract Line	Line Amt	Match Status	Gross Amt	Method	More Info	Address	Address 2
	0	4097500	Not Applicable	4097500	WIR		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	4097500	Not Applicable	4097500	EFT		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	9102500	Not Applicable	9102500	WIR		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
	0	9102500	Not Applicable	9102500	EFT		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
	0	3800000	Not Applicable	3800000	WIR		FOR UNION ACCOUNT	4029 INDUSTRIAL WAY
	0	3800000	Not Applicable	3800000	EFT		FOR UNION ACCOUNT	4029 INDUSTRIAL WAY
	0	1447500	Not Applicable	1447500	EFT		4029 INDUSTRIAL WAY	PO BOX 2484
	0	16254880	Not Applicable	16254880	EFT		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
	0	1750000	Not Applicable	1750000	EFT		FOR UNION ACCOUNT	4029 INDUSTRIAL WAY
	0	1750000	Not Applicable	1750000	EFT		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	1447500	Not Applicable	1447500	EFT		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	18671547	Not Applicable	18671547	EFT		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	2530833	Not Applicable	2530833	WIR		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	17671547	Not Applicable	17671547	WIR		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
	0	1666667	Not Applicable	1666667	WIR		FOR UNION ACCOUNT	4029 INDUSTRIAL WAY
	0	18671547	Not Applicable	18671547	EFT		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
	0	1750000	Not Applicable	1750000	EFT		FOR UNION ACCOUNT	4029 INDUSTRIAL WAY
	0	1447500	Not Applicable	1447500	EFT		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	1447500	Not Applicable	1447500	EFT		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	18671547	Not Applicable	18671547	EFT		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
	0	1750000	Not Applicable	1750000	EFT		FOR UNION ACCOUNT	4029 INDUSTRIAL WAY
	0	2530833	Not Applicable	2530833	EFT		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	17671547	Not Applicable	17671547	EFT		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
	0	1666667	Not Applicable	1666667	EFT		FOR UNION ACCOUNT	4029 INDUSTRIAL WAY
	0	3100000	Not Applicable	3100000	EFT		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
	0	17321547	Not Applicable	17321547	EFT		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
	0	1447500	Not Applicable	1447500	EFT		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	1447500	Not Applicable	1447500	EFT		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	10035833	Not Applicable	10035833	EFT		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
	0	3100000	Not Applicable	3100000	WIR		FOR UNION ACCOUNT	4029 INDUSTRIAL WAY
	0	2530834	Not Applicable	2530834	EFT		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	9035833	Not Applicable	9035833	EFT		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
	0	3016666	Not Applicable	3016666	WIR		FOR UNION ACCOUNT	4029 INDUSTRIAL WAY
	0	9935833	Not Applicable	9935833	EFT		C/O MCCOOK METALS	4900 FIRST AVENUE
	0	1447500	Not Applicable	1447500	EFT		FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY

0	3200000	Not Applicable	3200000	WIR	FOR UNION ACCOUNT	4029 INDUSTRIAL WAY
0	4061392	Not Applicable	4061392	EFT	FOR ABLECO FINANCE LLC	4029 INDUSTRIAL WAY
0	7321947	Not Applicable	7321947	EFT	C/O MCCOOK METALS	4900 FIRST AVENUE
0	3200000	Not Applicable	3200000	WIR	FOR UNION ACCOUNT	4029 INDUSTRIAL WAY

City	St	Postal	Pymnt Date	Reference	Pay	
					Status	Bank Account
MCCOOK	IL	60525-3294	2001-03-21	0000920127	Paid	
MCCOOK	IL	60525-3294	2001-03-20	E032001018	Void	091000022 77090791
LONGVIEW	WA	98632-9461	2001-03-21	0000920128	Paid	
LONGVIEW	WA	98632-9461	2001-03-20	E032001019	Void	091000022 77090793
LONGVIEW	WA	98632-9461	2001-03-21	0000920129	Paid	
LONGVIEW	WA	98632-9461	2001-03-20	E032001020	Void	091000022 77090794
LONGVIEW	WA	98632-9461	2001-04-19	E041901031	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-04-19	E041901032	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-04-19	E041901033	Paid	091000022 180121196976
MCCOOK	IL	60525-3294	2001-05-21	E052101036	Paid	091000022 180121196976
MCCOOK	IL	60525-3294	2001-05-21	E052101038	Paid	091000022 180121196976
MCCOOK	IL	60525-3294	2001-05-21	E052101037	Paid	091000022 180121196976
MCCOOK	IL	60525-3294	2001-06-20	0000920167	Paid	
LONGVIEW	WA	98632-9461	2001-06-20	0000920168	Paid	
LONGVIEW	WA	98632-9461	2001-06-20	0000920169	Paid	
LONGVIEW	WA	98632-9461	2001-07-20	E072001100	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-07-20	E072001101	Paid	091000022 180121196976
MCCOOK	IL	60525-3294	2001-07-20	E072001099	Paid	091000022 180121196976
MCCOOK	IL	60525-3294	2001-08-20	E082005027	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-08-20	E082005028	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-08-20	E082005029	Paid	091000022 180121196976
MCCOOK	IL	60525-3294	2001-09-20	E092005032	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-09-20	E092005033	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-09-20	E092005034	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-10-22	E102205050	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-10-22	E102205049	Paid	091000022 180121196976
MCCOOK	IL	60525-3294	2001-10-22	E102205048	Paid	091000022 180121196976
MCCOOK	IL	60525-3294	2001-11-20	E112005012	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-11-20	E112005013	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-11-20	0000200009	Paid	
MCCOOK	IL	60525-3294	2001-12-20	E122005015	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-12-20	E122005016	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2001-12-20	0000200021	Paid	
MCCOOK	IL	60525-3294	2002-01-22	E012205012	Paid	091000022 180121196976
LONGVIEW	WA	98632-9461	2002-01-22	E012205013	Paid	091000022 180121196976

LONGVIEW	WA	98632-9461	2002-01-22	0000200024	Paid	091000022	180121196976
LONGVIEW	WA	98632-9461	2002-02-20	E022005023	Paid	091000022	180121196976
MCCOOK	IL	60525-3294	2002-02-20	E022005022	Paid	091000022	180121196976
LONGVIEW	WA	98632-9461	2002-02-20	0000200030	Paid		

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION

Revision

Sched E032001018 Cancelled
Electronic Form Approved
by OLR - 02/22/2001

INVOICE CERTIFICATION / ACCOUNTING FORM

(* Use F1 key for help.)

P-760-W-5802

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

920/27
Jane O'Leary-Brattebo

1. NAME

Jane O'Leary-Brattebo

2. TITLE

Public Utilities Specialist

3. DEPT. I.D.

PGSC

4. PHONE

3949

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Aluminum, LLC

7. CONTRACT NUMBER

PB 10786

8. SERVICES RECEIVED FROM (Date)

2/1/01

TO (Date)

2/28/01

9. SERVICES DETERMINED ACCEPTABLE ON:

LONGALUM 00

10. FINAL PAYMENT?

YES ☐NO ☒

COMMENTS:

11. BU:

* 12.
INVOICE
NUMBER13. GL
(See second/third
page of this form
for correct
accounting
information)14. DEPT
I.D.

15. ABM

16. WO

17. TASK

18. DCE
(See
second/third
page of this
form for correct
accounting
information)19.
\$ AMOUNT

600350 EXP

PTF

PEAA

00003859

01

REM

4,097,500.00

242025

Due Date

3/24/01

\$ TOTAL

FILE CODE: FI-17

RETENTION: KGRD = A + 3 YRS; OTHERS = 3 YRS.

Create Payments - Use - Payment Cancellation

File Edit View Go Favorites Use Inquire Report Help



Cancel a Payment

SetID: FCRPS
 Bank: TREAS US TREASURY
 Account: DISB 89001401
 Reference ID: E032001018
 Payment Method: EFT

Remit Vendor: LONGALUM00 LONGVIEW ALUMINUM LLC

Amount: 4,097,500.00 US Dollar

Date: 03/20/2001

Date Cancelled: 03/21/2001

Payment Status

Cancel Action

Schedule #: 1E032001

- ☒ Void
- ☐ Stop
- ☐ Undo Cancel

- ☐ Re-Open Voucher(s)/Re-Issue
- ☒ Re-Open Voucher(s)/Put on Hold
- ☐ Do Not Reissue/Close Liability

REISSUE BY DONNA PAYMENT REJECTED SETUP AS EFT. NEEDS TO GO BY WIRE TRANSFER WITH FURTHER CREDIT TOO.

FSPRD

Cancel a Payment

Update/Display

1 object(s)

1.64 KB

My Computer

Start



PeopleSoft Production

Create Payments - Use - ...



POINT: 01FRBMPIS APPL: 999999999 TYPE: T/R: 091000022
 FILE ID: 20010790010 BATCH NO: 6939 PAR: 20010804321699
 DIST DATE: DIST WINDOW: BRANCH:

CA: POINT: 01FRBMPIS APPL: 999999999 TYPE: 091000080 BRANCH: SEC CCD
 DA: POINT: 01FRBRI APPL: RETURNS TYPE: EFF 010320
 COMP NAME DPA TREAS 312 ID 3121036500 DESC MISC PAY

ORIGINATING T/R: 091000022
 T/R: 091000080 BRANCH: SEC CCD
 EFF 010320

C O L L E C T I O N / D I S T R I B U T I O N I N F O R M A T I O N
 CUST NAME LONGVIEW ALUMINUM LLC CUST ID 364413745890014 TC 21 DDA CR RET
 ACCOUNT 77090791 T/R 121036500 ADD TYPE 99
 AMOUNT 4,097,500.00 PAR 20010804321699 STATUS P
 DATE/TIME COLL 03-20 03:15 COLL SETT DATE 03-21 WIND 0900 REDIST COUNT 000
 DATE/TIME DIST 03-21 07:48 SCM DIST DATE 03-21 DIST TC 21 DDA CR RET ACH DIST NO
 DIST SETT DATE 03-21
 DIST SETT DATE 03-21
 R04 - INVALID ACCOUNT NUMBER
 ORIGINAL ACCT 77090791
 ORIGINAL TRACE 0000000000000000
 EXCEPT STATUS T RETURN PAR 20010793539057
 DISHONORED RETURN REASON
 RECOLL IND Y RECOLL AS PAR 0000000000000000
 PART ID

ORIGINAL T/R 091000022 ORIGINAL TC 22
 D/T LAST F/M 00-00 00:00 MEMO IND N
 ORIG EXCEPT STATUS N
 EPA EDIT STATUS
 RECOLL FOR PAR 20010793539057
 SUPPLEMENTAL INDS: 1 N 2 N

POINT: 01EREMPLS APPL: 999999999 TYPE: T/R: BRANCH: 091000022
 FILE ID: 20010790010 BATCH NO: 5278 PAR: 20010793539057
 DIST DATE: DIST WINDOW: ORIGINATING T/R: 091000022
 CA: POINT: 01EREMPLS APPL: 999999999 TYPE: T/R: 091000022 BRANCH: SEC CCD
 DA: POINT: PEC+ APPL: REJECT TYPE: EFF 010320
 COMP NAME BPA TREAS 312 ID 3121036500 DESC MISC PAY
 <=== C O L L E C T I O N / D I S T R I B U T I O N I N F O R M A T I O N ===>
 CUST NAME LONGVIEW ALUMINUM LLC CUST ID 364413745890014 TC 22 DDA CR LIV
 T/R 091000022 DISCR-DATA 01
 ACCOUNT 77090791 PAR 20010793539057 ADD TYPE 05
 AMOUNT 4,097,500.00 STATUS P
 DATE/TIME COLL 03-20 03:15 COLL SETT DATE 03-20 WIND 9999 REDIST COUNT 000
 DATE/TIME DIST 03-21 05:00 SCM DIST DATE 03-21 DIST NO ACH DIST NO
 DIST SETT DATE 03-21 DIST TC 22 DDA CR LIV
 R04 - INVALID ACCOUNT NUMBER
 <===== M I S C E L L A N E O U S I N F O R M A T I O N =====>
 ORIGINAL ACCT 77090791 ORIGINAL T/R 091000022 ORIGINAL TC 22
 ORIGINAL TRACE 121036500697288 D/T LAST F/M 00-00 00:00 MEMO IND N
 EXCEPT STATUS N RETURN PAR 0000000000000000 ORIC EXCEPT STATUS N
 DISHONORED RETURN REASON EPA EDIT STATUS
 RECALL IND N RECALL AS PAR 20010804321699 RECALL FOR PAR 0000000000000000
 SUPPLEMENTAL INDS: 1 N 2 N
 PART ID



Corporate Trust
Services

100 Wall Street
Suite 1600
New York, NY 10005
(212) 361-2500
Fax: (212) 809-5459

Fax Cover Sheet

DATE: 3/20/01

TIME: 5:06 PM

TO: Jane O'Leary

PHONE: 503-230-3949

FAX: 503-230-5663

FROM: Patrick J. Crowley

PHONE: (212) 361-2505

FAX: (212) 809-4993

NUMBER OF PAGES INCLUDING COVER SHEET: 1

Message

The following are Wire Transfer Instructions for U.S. Bank Trust, :

For Longview Account, \$ 4,097,500

Via Fed Wire

U.S. Bank NA, Minneapolis ABA #091 000 022

BBK= U.S. Bank Trust N.A. A/C 1801 2116 7365

BNF= U.S. Bank Trust N.A. A/C 47300017

OBI= Longview Aluminum Bocked Account #77090791 Attn: Jamie Stahle

INVOICE CERTIFICATION / ACCOUNTING FORM

(* Use F1 key for help.)

P-760-W-E-5803

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature) 920/29

920/28
Tore O'Leary-Bratties
→ removed by wife

1. NAME
Jane O'Leary-Brattebo

2. TITLE
Public Utilities Specialist

3. DEPT. I.D.

4. PHONE

PGSC

3949

5. INVOICE RECEIPT DATE

6. VENDOR NAME

7. CONTRACT NUMBER

Abelco Finance

~~Q10~~ PB 10786

8. SERVICES RECEIVED FROM (Date)

TO (Date)

9. SERVICES DETERMINED ACCEPTABLE ON:

2/1/01

2/28/01

LONGALUM OI

10. FINAL PAYMENT?

YES ☐ NO ☒

COMMENTS:

11. BU:

* 12.
INVOICE
NUMBER

13. GL
(See second/third
page of this form
for correct
accounting
information)

14. DEPT
I.D.

15. ABM

16. WO

17.
TASK

18.
DCE
(See
second/third
page of this
form for correct
accounting
information)

19.
\$ AMOUNT

600350 EXP

~~PTF~~

PEAA

00003859

01

REM

9,102,500.

242025

Dive Date 3/26/0

\$ TOTAL

FILE CODE: FI-17
RETENTION: KGRD = A + 3 YRS; OTHERS = 3 YRS.

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION

REQUEST NEW OR CHANGE VENDOR PROFILE

PRIVACY ACT STATEMENT Collection of this information is authorized by 31 USC § 1304, 16 USC § 832a(f), and Executive Order 9397. The primary use of this information is for the purpose of making and tracking payments to vendors. The information provided will be used by federal employees or contractors within the federal executive branch who need to know this information in order to make or track payments. Furnishing your social security number is voluntary, but failure to do so may result in the inability to process payment. If the information furnished on this form will be used for purposes other than those indicated above, you may be provided with an additional statement reflecting those purposes.

1. Requested by: (Name and Date)

Jane O'Leary

2. System entry by: (Name and Date)

NOTE: Requesters must fill in the required blocks as follows: 4, 5, 6, 9, 10, 11, 17.

3. Vendor (Code) (Vendor Maintenance Team will complete this section) - (Eight alpha + two Numeric)

NEW VENDOR

CHANGE OF VENDOR



4. VMBE (Required) (Please select only one)

F - Foreign

FG - Federal Government

L - Large Business

E - Employee

M - Minority Owned Business

MW - Minority & Woman Owned Business

NP - Non Profit

G - Government

L - Land

OG - Other Government

S - Small Business

T - Tribe

R - Regular (supplier)

U - Utilities

W - Woman Owned Business

5. Vendor Name (Required) (Full Legal Name)

Ableco Finance LLC

7. Suffix Name (Branch/Division name)

8. Alias Vendor Name (Other commonly used names and/or abbreviations)

9. Vendor Contact Person (Required)

Brad Gold

10. Vendor Address Line 1 (Required)

450 Park Avenue, 20th Floor

11. Phone (Must include area code) (Required)

(212)891-2100

Extension

12. Vendor Address Line 2 (if necessary)

13. Fax (if known)

Extension

14. Vendor Address Line 3 (if necessary)

15. MANUFACTURER?

Yes ☐No ☐

16. VENDOR? (Seller?)

Yes ☐No ☐

17. City (Required)

New York

State

New York

Postal Code

10022

Country

USA

19. Web Address (if known) (Vendor's Homepage)

20. Customer Account Number (Account Number Vendor has assigned to BPA)

21. DUNS Number (Must be 9-digits)

21a. TAX I.D./1099 (Required)

36 - 4413745

21b. Social Security Number

-

-

23. Payment Preference (if 23 is EFT, then 24 information is Required)

EFT

Check ☐

24. BANK/ACCOUNT Information

Bank Name

U.S. National Bank

Bank Routing

091000022

Bank Account

77090793

N = Non-Employee Compensation

Z = 1099 not required

R = Rent

M = Medical & Health Care Payments

L = Proceeds to Attorney for Litigation

28. ☐ Lockbox ☐ Savings ☐ Checking

NOTE: - VFM Team: Add Special Notes/Comments press continuation page at top of form.

Create Payments - Use - Payment Cancellation

File Edit View Go Favorites Use Inquire Report Help



Cancel a Payment

SetID: FCRPS
 Bank: TREAS US TREASURY
 Account: DISB 89001401
 Reference ID: E032001019
 Payment Method: EFT

Remit Vendor: LONGALUM01 LONGVIEW ALUMINUM LLC

Amount: 9,102,500.00 US Dollar

Date: 03/20/2001

Date Cancelled: 03/21/2001

Payment Status

Cancel Action

Schedule #: 1E032001

- ☒ Void
- ☐ Stop
- ☐ Undo Cancel

- ☐ Re-Open Voucher(s)/Re-Issue
- ☒ Re-Open Voucher(s)/Put on Hold
- ☐ Do Not Reissue/Close Liability

REISSUED BY DONNA. PAYMENT REJECTED SETUP AS EFT. NEEDS TO GO BY WIRE TRANSFER WITH FURTHER CREDIT TOO.

FSPRD

Cancel a Payment

Update/Display

4 object(s)

1.84 KB

My Computer

Start



PeopleSoft Production

Create Payments - Use - ...



TO

FROM U.S. BANK

1-384

T. 004/000

POINT: 01FRBMP/LS APPL: 999999999 TYPE: T/R: _____
 FILE ID: 20010790010 BATCH NO: 6939 PAR: 20010804321701
 DIST DATE: _____ DIST WINDOW: _____

BRANCH: _____

CA: POINT: 01FRBMP/LS APPL: 999999999 TYPE: _____ ORIGINATING T/R: 091000022
 DA: POINT: 01FRBRI APPL: RETURNS TYPE: T/R: 091000080 BRANCH: _____
 COMP NAME NPA TREAS 312 ID 3121036500 DESC MISC PAY EFF 010320 SEC CCD

<==== C O L L E C T I O N / D I S T R I B U T I O N I N F O R M A T I O N =====>
 CUST NAME LONGVIEW ALUMINUM LLC CUST ID 364413745890014 TC 21 DDA CR RET
 ACCOUNT 77090793 T/R 121036500 DISCR-DATA 01
 AMOUNT 9,102,500.00 PAR 20010804321701 ADD TYPE 99
 DATE/TIME COLL 03-20 03:15 COLL SETT DATE 03-21 STATUS P
 DATE/TIME DIST 03-21 07:48 SCM DIST DATE 03-21 WIND 0900 REDIST COUNT 000
 DIST SETT DATE 03-21 DIST TC 21 DDA CR RET ACH DIST NO _____

R04 - INVALID ACCOUNT NUMBER

<===== M I S C E L L A N E O U S I N F O R M A T I O N =====>
 ORIGINAL ACCT 77090793 ORIGINAL T/R 091000022 ORIGINAL TC 22
 ORIGINAL TRACE 000000000000000 D/T LAST F/M 00-00 00:00 MEMO IND N
 EXCEPT STATUS Y RETURN PAR 20010793539059 ORIG EXCEPT STATUS N

DISHONORED RETURN REASON EPA EDIT STATUS
 RECOLL IND Y RECOLL AS PAR 000000000000000 RECOLL FOR PAR 20010793539059
 SUPPLEMENTAL INDS: 1 N 2 N

PART ID

T-594 P.003/000

POINT: 01FRBPLS APPL: 999999999 TYPE: T/R: 20010793539059
FILE ID: 20010790010 BATCH NO: 5278 PAR: 20010793539059
DIST DATE: DIST WINDOW: ORIGINATING T/R: 091000022
T/R: 091000022 BRANCH: SEC CCD
CA: POINT: 01FRBPLS APPL: 999999999 TYPE: T/R: 091000022
DA: POINT: REP+ APPL: REJECT TYPE: EFF 010320
COMP NAME: BPA TREAS 312 TD 3121036500 DESC MISC PAY
CUST NAME: LONGVIEW ALUMINUM LLC CUST ID 364413745890014
CUST NAME: 77090793 PAR T/R 20010793539059
AMOUNT: 9,102,500.00 COLL SETT DATE 03-20 WIND 9999
DATE/TIME COLL 03-20 03:15 SCM DIST DATE 03-21 CR LIV
DATE/TIME DIST 03-21 05:00 DIST TC 22 DDA
DATE/SETT DATE 03-21
DIST SETT DATE 03-21
DIST - INVALID ACCOUNT NUMBER
R04 - INVALID ACCOUNT NUMBER
ORIGINAL ACCT 77090793 ORIGINAL T/R 091000022
ORIGINAL TRACE 121036500697289 D/T LAST F/M 00-00 00:00
ORIGINAL STATUS N RETURN PAR 00000000000000
EXCEPT STATUS N RETURN PAR 00000000000000
DISHONORED RETURN REASON
RECOLL IND N RECOLL AS PAR 20010804321701
PART ID

BRANCH: _____



**Corporate Trust
Services**

100 Wall Street
Suite 1600
New York, NY 10005
(212) 381-2500
Fax: (212) 809-5459

Fax Cover Sheet

DATE: 3/20/01

TIME: 6:14 PM

TO: Jane O'Leary

PHONE: 503-230-3949
FAX: 503-230-5663

FROM: Patrick J. Crowley

PHONE: (212) 381-2505
FAX: (212) 809-4993

NUMBER OF PAGES INCLUDING COVER SHEET: 1

Message

The following are Wire Transfer instructions for U.S. Bank Trust, :

For Lender Account (Ableco), \$ 9,102,500

Via Fed Wire

U.S. Bank NA, Minneapolis ABA #091 000 022

BBK= U.S. Bank Trust N.A. A/C 1801 2116 7365

BNF= U.S. Bank Trust N.A. A/C 47300017

OBI= Ableco Finance LLC Funding Account #77090793 Attn: Jamie Stahle

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
PeopleSoft (PS) CUSTOMER NUMBER REQUESTElectronic Form Approved
By CIL 10/02/2000

DATE REQUESTED March 12, 2001		DATE ENTERED in PS	
REQUESTER Jane O'Leary	ROUTING PGSC	TELEPHONE NUMBER 3949	
<input checked="" type="checkbox"/> NEW		CUSTOMER NUMBER:	
<input type="checkbox"/> CUSTOMER CHANGES/ADDITIONS		CUSTOMER NUMBER:	
CHANGE: <input type="checkbox"/> Customer Name <input type="checkbox"/> Contact Information <input type="checkbox"/> Address <input type="checkbox"/> Other (explain)		ADD: <input type="checkbox"/> Contact Information <input type="checkbox"/> Address <input type="checkbox"/> Other (explain)	
COMMENTS			

CUSTOMER NAME (40) Longview Aluminum Union Account		CUSTOMER SHORT NAME (10)	
MICR ID (Magnetic ink character recognition)		TAX ID/SSN 13-4042820 36-4413745	
CUSTOMER CLASS (15) Check one only		NW PREFERENCE / LOCATION (15)	
<input checked="" type="checkbox"/> ALUMINUM DSI CO <input type="checkbox"/> BROKER <input type="checkbox"/> CONSUMER-EMPL <input type="checkbox"/> CONSUMR-NONEMPL <input type="checkbox"/> COOP <input type="checkbox"/> FEDERAL AGENCY <input type="checkbox"/> IOU <input type="checkbox"/> MARKETER	<input type="checkbox"/> MUNICIPALITY <input type="checkbox"/> OTHER DSI CO <input type="checkbox"/> OTHR COMMERCIAL <input type="checkbox"/> PUD <input type="checkbox"/> POWER POOL <input type="checkbox"/> STATE AGENCY <input type="checkbox"/> TRANS ENTITY <input type="checkbox"/> TRIBE	<input type="checkbox"/> EXTRA REGIONAL (National) <input type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> EXTRA REGIONAL (International) <input checked="" type="checkbox"/> IN REGION	
CONTACT (40) Dave Poremba		TITLE (35) CFO	
TELEPHONE NUMBER 708-387-8883		EXTENSION	
E-MAIL ADDRESS dave.poremba@mccookmetals.com		FAX NUMBER 708-387-8259	
LOCATION DESCRIPTION (Address Type, Example: Misc, SN/Both, Options, etc.) McCook Metals			

BILLING INFORMATION	
ADDRESS 1 (35) 4900 First Avenue	
ADDRESS 2 (35)	
CITY (30) McCook	
POSTAL ZIP (12) 60525-3294	
STATE / PROVINCE (2) IL	COUNTRY (3) USA

*Shaded areas to be completed by Accounting Operations (KGRO) for the following:

Date Entered into Peoplesoft table
Customer number for new customers
MICR ID for all applicable customer.

**Numbers in parenthesis indicate maximum character length in PeopleSoft.

SUBMIT FORM TO E-MAIL ADDRESS "ACCOUNTING OPERATIONS".

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
REQUEST NEW OR CHANGE VENDOR PROFILEBPA F 4220.01e
(10-00)

1. Requested by: (Name and Date)
Jane O'Leary

2. System entry by: (Name and Date)

3. Vendor (Code) (Vendor Maintenance Team will complete this section)- (Eight alpha + two Numeric)
NEW VENDOR ☒ CHANGE OF VENDOR ☐

4. WMBE (Required) (Please select only one)
F - Foreign ☐ FG - Federal Government ☐ L - Large Business ☐ E - Employee
M - Minority Owned Business ☐ MW - Minority & Woman Owned Business ☐ NP - Non Profit ☐ G - Government ☐ L - Land
OG - Other Government ☐ S - Small Business ☐ T - Tribe ☐ R - Regular (supplier) ☐ U - Utilities ☐ W - Woman Owned Business ☐

5. TYPE (Required) (Please select only one)
A - Attorney ☐ E - Employee
G - Government ☐ L - Land
R - Regular (supplier) ☐ U - Utilities ☐

6. Vendor Name (Required) (Full Legal Name)
Longview Aluminum Union Account

7. Suffix Name (Branch/Division name)

8. Alias Vendor Name (Other commonly used names and/or abbreviations)

9. Vendor Contact Person (Required)
Dave Poremba

10. Vendor Address Line 1 (Required)
4900 First Avenue

11. Phone (Must include area code) (Required)
(708) 387-8883

12. Vendor Address Line 2 (If necessary)
Extension

13. Fax (If known)
Extension

14. Vendor Address Line 3 (If necessary)

15. MANUFACTURER?
Yes ☐ No ☐

16. VENDOR? (Seller?)
Yes ☐ No ☐

17. City (Required)
McCook

18. Internet Email (If known) (E-mail address for Vendor Accounts Receivable Department)

19. Web Address (If known) (Vendor's Homepage)

20. Customer Account Number (Account Number Vendor has assigned to BPA)

21. DUNS Number (Must be 9-digits)

22. TAX I.D. Address
Street Address City State ZIP Code

23. Payment Preference (If 23 is EFT, then 24 information is Required)
EFT ☒ Check ☐

24. BANK/ACCOUNT Information
Bank Name U.S. National Bank
Bank Routing 091000022
Bank Account 77090794

25. TAX I.D. TYPE Code
N = Non-Employee Compensation
Z = 1099 not required
R = Rent
M = Medical & Health Care Payments
L = Proceeds to Attorney for Litigation

26. Alternate Remit Vendor Name
City State ZIP Code

27. Alternate Remit Vendor Address
Street Address City State ZIP Code

28. ☐ Lockbox ☐ Savings ☐ Checking

NOTE: Requesters must fill in the required blocks as follows: 4, 5, 6, 9, 10, 11, 17.

NOTE: - VFM Team: Add Special Notes/Comments press continuation page at top of form.

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

(* Use F1 key for help.)

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles or services on the attached invoice. (Signature)

Jane O'Leary Brattebo

1. NAME

Jane O'Leary-Brattebo

2. TITLE

Public Utilities Specialist

3. DEPT. I.D.

PGSC

4. PHONE

3949

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Aluminum Union

7. CONTRACT NUMBER

00 PB 10786

8. SERVICES RECEIVED FROM (Date)

2/1/01

TO (Date)

2/28/01

9. SERVICES DETERMINED ACCEPTABLE ON:

LONG ALUM 03 02

10. FINAL PAYMENT?

YES ☐NO ☒

COMMENTS:

11. BU:

* 12.
INVOICE
NUMBER13. GL
(See second/third
page of this form
for correct
accounting
information)14. DEPT
I.D.

15. ABM

16. WO

17.
TASK18.
DCE
(See
second/third
page of this
form for correct
accounting
information)19.
\$ AMOUNT

600350 EXP

PTF

PEAA

00003859

01

REM

3,800,000.00

Power

242025

Due Date

3/20/01

\$ TOTAL

Create Payments - Use - Payment Cancellation

File Edit View Go Favorites Use Inquire Report Help



Cancel a Payment

SetID: FCRPS
 Bank: TREAS US TREASURY
 Account: DISB 89001401
 Reference ID: E032001020
 Payment Method: EFT

Remit Vendor: LONGALUM02 LONGVIEW ALUMINUM LLC

Amount: 3,800,000.00 US Dollar

Date: 03/20/2001

Date Cancelled: 03/21/2001

Payment Status

Cancel Action

Schedule #: 1E032001

- ☒ Void
- ☐ Stop
- ☐ Undo Cancel

- ☐ Re-Open Voucher(s)/Re-Issue
- ☒ Re-Open Voucher(s)/Put on Hold
- ☐ Do Not Reissue/Close Liability

REISSUED BY DONNA. PAYMENT REJECTED SETUP AS EFT. NEEDS TO GO BY WIRE TRANSFER WITH FURTHER CREDIT TO.

FSPRD

Cancel a Payment

Update/Display

4 object(s)

1.84 KB

My Computer

- psb2968 TRM224
- BPA LAN
- Recycle Bin
- Internet Explorer
- Microsoft Outlook
- BSP Step by Step

Start



PeopleSoft Production

Create Payments - Use - ...

58

POINT: 01FRMPLS APPL: 999999999 TYPE: T/R: 20010804321703
FILE ID: 20010790010 BATCH NO: 6939 PAR: 20010804321703
DIST DATE: DIST WINDOW: BRANCH: 20010804321703

CA: POINT: 01FRMPLS APPL: 999999999 TYPE: 091000022
DA: POINT: 01FRBRI APPL: RETURNS TYPE: T/R: 091000080 BRANCH: 20010804321703
COMP NAME EPA TREAS 312 ID 3121036500 DESC MISC PAY EFF 010320 SEC CCD

===== C O L L E C T I O N / D I S T R I B U T I O N I N F O R M A T I O N =====
CUST NAME LONGVIEW ALUMINUM LLC CUST ID 364413745890014 TC 21 DDA CR RET
ACCOUNT 77090794 T/R 121036500 DISCR-DATA 01
AMOUNT 3,800,000.00 PAR 20010804321703 ADD TYPE 99
DATE/TIME COLL 03-20 03:15 COLL SETT DATE 03-21 STATUS P
DATE/TIME DIST 03-21 07:48 SCM DIST DATE 03-21 WIND 0900 REDIST COUNT 000
DIST SETT DATE 03-21 DIST TC 21 DDA CR RET ACH DIST NO

R04 - INVALID ACCOUNT NUMBER
===== M I S C E L L A N E O U S I N F O R M A T I O N =====>
ORIGINAL ACCT 77090794 ORIGINAL T/R 091000022 ORIGINAL TC 22
ORIGINAL TRACE 000000000000000 D/T LAST F/M 00-00 00:00 MEMO IND N
EXCEPT STATUS T RETURN PAR 20010793539061 ORIG EXCEPT STATUS N
DISHONORED RETURN REASON EPA EDIT STATUS
RECOLL IND Y RECOLL AS PAR 000000000000000 RECOLL FOR PAR 20010793539061
PART ID SUPPLEMENTAL INDS: 1 N 2 N

T-594 P.005/UUB T-100

POINT: 01FRMPLS APPL: 999999999 TYPE: T/R:
FILE ID: 20010790010 BATCH NO: 5278 PAR: 20010793539061
DIST DATE: DIST WINDOW: BRANCH:

CA: POINT: 01FRMPLS APPL: 999999999 TYPE: ORIGINATING T/R: 091000022
DA: POINT: PEP+ APPL: REJECT TYPE: T/R: 091000022 BRANCH:
COMP NAME: BPA TREAS 312 ID 3121036500 DESC MISC PAY EFF 010320 SEC CCD

<==== C O L L E C T I O N / D I S T R I B U T I O N I N F O R M A T I O N =====>
CUST NAME LONGVIEW ALUMINUM LLC CUST ID 364413745890014 TC 22 DDA CR LIV
ACCOUNT 77090794 T/R 091000022 DISCR-DATA 01
AMOUNT 3,800,000.00 PAR 20010793539061 ADD TYPE 05
DATE/TIME COLL 03-20 03:15 COLL SETT DATE 03-20 STATUS P
DATE/TIME DIST 03-21 05:00 SCM DIST DATE 03-21 WIND 9999 REDIST COUNT 000
DIST SETT DATE 03-21 DIST TC 22 DDA CR LIV ACH DIST NO ---
R04 - INVALID ACCOUNT NUMBER
===== M I S C E L L A N E O U S I N F O R M A T I O N =====>
<==== ORIGINAL ACCT 77090794 ORIGINAL T/R 091000022 ORIGINAL TC 22
ORIGINAL TRACE 121036500697290 D/T LAST F/M 00-00 00:00 MEMO IND N
EXCEPT STATUS N RETURN PAR 0000000000000000 ORIG EXCEPT STATUS N
DISHONORED RETURN REASON EPA EDIT STATUS
RECOLL IND N RECOLL AS PAR 20010804321703 RECOLL FOR PAR 0000000000000000
SUPPLEMENTAL INDS: 1 N 2 N



Corporate Trust
Services

100 Wall Street
Suite 1600
New York, NY 10005
(212) 361-2500
Fax: (212) 809-5459

Fax Cover Sheet**DATE:** 3/20/01**TIME:** 5:15 PM**TO:** Jane O'Leary**PHONE:** 503-230-3949**FAX:** 503-230-5663**FROM:** Patrick J. Crowley**PHONE:** (212) 361-2505**FAX:** (212) 809-4993**NUMBER OF PAGES INCLUDING COVER SHEET:** 1**Message**

The following are Wire Transfer instructions for U.S. Bank Trust, :

For Union Account, \$ 3,800,000

Via Fed Wire

U.S. Bank NA, Minneapolis ABA #091 000 022

BBK= U.S. Bank Trust N.A. A/C 1801 2116 7365

BNF= U.S. Bank Trust N.A. A/C 47300017

OBI= Longview Aluminum Union Account #77090794 Attn: Jamie Stahle

P-864-E-6690

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Jane O'Leary - Brutebo

COMMENTS:

\$ TOTAL



Corporate Trust
Services

100 Wall Street
Suite 1800
New York, NY 10005
(212) 361-2500
Fax: (212) 809-5459

Fax Cover Sheet

DATE: 4/10/01

TIME: 4:59 PM

TO: Jane O'Leary

PHONE: 503-230-3949
FAX: 503-230-5663

FROM: Patrick J. Crowley

PHONE: (212) 361-2505
FAX: (212) 809-4993

NUMBER OF PAGES INCLUDING COVER SHEET: 1

Message

The following are ACH Deposit instructions on April 20, 2001 for U.S. Bank Trust. :

For Company Account, \$ 1,447,500

Via ACH Deposit

U.S. Bank NA, Minneapolis ABA #091 000 022

For Credit to Account 1801 2119 6976

Ref. A/C # 77090791 Attn: Jamie Stahle-Longview Aluminum Blocked A/C

Inv. #

0301

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION

INVOICE CERTIFICATION / ACCOUNTING FORM

(* Use F1 key for help.)

P-864-E-6691

I certify to the purchase pursuant to my delegation of authority of
the articles or services on the attached invoice. (Signature)I certify to the acceptance of the articles of services on the attached
invoice. (Signature)

Jane O'Leary-Brattebo

1. NAME Jane O'Leary-Brattebo	2. TITLE Public Utilities Specialist
3. DEPT. I.D. PGSC	4. PHONE 3949

5. INVOICE RECEIPT DATE	6. VENDOR NAME Longview Aluminum LLC	7. CONTRACT NUMBER DIPB-10748
8. SERVICES RECEIVED FROM (Date) 3/1/01	TO (Date) 3/31/01	9. SERVICES DETERMINED ACCEPTABLE ON:

10. FINAL PAYMENT?

YES ☐ NO ☒

LONGALUMOD

COMMENTS:

for Abalco Funding LLC

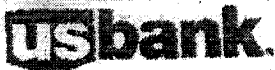
11. BU:

* 12. INVOICE NUMBER	13. GL (See second/third page of this form for correct accounting information)	14. DEPT I.D.	15. ABM	16. WO	17. TASK	18. DCE (See second/third page of this form for correct accounting information)	19. \$ AMOUNT
77090793	600350 EXP	PTF	PEAA	00003859	01	REM	16,254.880
0301							

Power 242025

Due Date 4/19/01

TOTAL



Corporate Trust
Services

100 Wall Street
Suite 1800
New York, NY 10005
(212) 361-2500
Fax: (212) 809-5459

Fax Cover Sheet**DATE:** 4/10/01**TIME:** 4:59 PM**TO:** Jane O'Leary**PHONE:** 503-230-3949**FAX:** 503-230-5663**FROM:** Patrick J. Crowley**PHONE:** (212) 361-2505**FAX:** (212) 809-4993**NUMBER OF PAGES INCLUDING COVER SHEET:** 1**Message**

The following are ACH Deposit instructions on April 20, 2001 for U.S. Bank Trust, :

For Company Account, \$ 16,254,880

Via ACH Deposit

U.S. Bank NA, Minneapolis ABA #091 000 022

For Credit to Account 1801 2119 6976

Ref: A/C # 77090793 Attn: Jamie Stahle-Ableco Funding LLC A/C

Inv. #

0301

Jane O'Leary - Bottle

LONGALUM 00²

for Longview Aluminum Union

77090794
0301

~~600350-EXP~~

PTF

PEAA

00003859

01

REM

L. 750.000

power	242025
-------	--------

Date Date

4/19/01

\$ TOTAL



Corporate Trust
Services

100 Wall Street
Suite 1600
New York, NY 10005
(212) 361-2500
Fax: (212) 809-5459

Fax Cover Sheet

DATE: 4/10/01

TIME: 4:59 PM

TO: Jane O'Leary

PHONE: 503-230-3949
FAX: 503-230-5663

FROM: Patrick J. Crowley

PHONE: (212) 361-2505
FAX: (212) 809-4993

NUMBER OF PAGES INCLUDING COVER SHEET: 1

Message

The following are ACH Deposit instructions on April 20, 2001 for U.S. Bank Trust, :

For Union Account, \$ 1,750,000

Via ACH Deposit

U.S. Bank NA, Minneapolis ABA #091 000 022

For Credit to Account 1801 2119 6976

Ref: A/C # 77090794 Attn: Jamie Stahle-Longview Aluminum Union A/C

Inv. #

0301

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATIONElectronic Form Approved
by GSA - 02/22/2001

INVOICE CERTIFICATION / ACCOUNTING FORM

(* Use F1 key for help.)

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Jane O'Leary - Brattebo

1. NAME	2. TITLE Public Utilities Specialist	
3. DEPT. I.D. PGSC	4. PHONE 3949	
5. INVOICE RECEIPT DATE	6. VENDOR NAME Longview Alum LLC	7. CONTRACT NUMBER 01 PB 10786

8. SERVICES RECEIVED FROM (Date)

TO (Date)

9. SERVICES DETERMINED ACCEPTABLE ON:

4/1/01

4/30/01

10. FINAL PAYMENT?

YES ☐NO ☒

LONGALUM 00

COMMENTS:

for Longview Aluminum Union

11. BU:

* 12. INVOICE NUMBER	13. GL (See second/third page of this form for correct accounting information)	14. DEPT I.D.	15. ABM	16. WO	17. TASK	18. DCE (See second/third page of this form for correct accounting information)	19. \$ AMOUNT
----------------------	---	---------------	---------	--------	----------	--	---------------

77090794

600350-EXT

PTF

PEAA

00003859

01

REM

1,750,000

0401

Power 242025

Due Date 5/21/01

\$ TOTAL

FILE CODE: FI-17

RETENTION: KGRD = A + 3 YRS; OTHERS = 3 YRS



Corporate Trust
Services

100 Wall Street
Suite 1500
New York, NY 10005
(212) 361-2500
Fax: (212) 809-5459

Fax Cover Sheet

DATE: 4/10/01

TIME: 4:59 PM

TO: Jane O'Leary

PHONE: 503-230-3949
FAX: 503-230-5683

FROM: Patrick J. Crowley

PHONE: (212) 361-2505
FAX: (212) 809-4993

NUMBER OF PAGES INCLUDING COVER SHEET: 1

Message

The following are ACH Deposit instructions on April 20, 2001 for U.S. Bank Trust, :

For Union Account, ~~503-230-3949~~

Via ACH Deposit

U.S. Bank NA, Minneapolis ABA #091 000 022

For Credit to Account 1801 2119 6976

Ref: A/C # 77090794 Attn: Jamie Stahle-Longview Aluminum Union A/C

Inv.#

0301

BONNEVILLE POWER ADMINISTRATION

INVOICE CERTIFICATION / ACCOUNTING FORM

(* Use F1 key for help.)

I certify to the purchase pursuant to my delegation of authority of
the articles or services on the attached invoice. (Signature)I certify to the acceptance of the articles of services on the attached
invoice. (Signature)

Jose O'Leary - Brattles

1. NAME

2. TITLE

Public Utilities Specialist

3. DEPT. I.D.

4. PHONE

PGSC

3949

5. INVOICE RECEIPT DATE

6. VENDOR NAME

7. CONTRACT NUMBER

Longview Aluminum LLC

01PB- 10786

8. SERVICES RECEIVED FROM (Date)

TO (Date)

9. SERVICES DETERMINED ACCEPTABLE ON:

4/1/01

4/30/01

10. FINAL PAYMENT?

YES ☐ NO ☒

LONG ALUM 00

COMMENTS:

11. BU:

* 12.
INVOICE
NUMBER13. GL
(See second/third
page of this form
for correct
accounting
information)14. DEPT
I.D.

15. ABM

16. WO

17.
TASK18.
DCE
(See
second/third
page of this
form for correct
accounting
information)19.
\$ AMOUNT

77090791

600350 EXP

PTT

PEAA

00003859

01

REM

1,447,500

0401

Power 242025

Due Date 5/21/01

\$ TOTAL



Corporate Trust
Services

100 Wall Street
Suite 1600
New York, NY 10005
(212) 361-2500
Fax: (212) 809-5459

Fax Cover Sheet**DATE:** 4/10/01**TIME:** 4:59 PM**TO:** Jane O'Leary**PHONE:** 503-230-3949
FAX: 503-230-5663**FROM:** Patrick J. Crowley**PHONE:** (212) 361-2505
FAX: (212) 809-4993**NUMBER OF PAGES INCLUDING COVER SHEET:** 1**Message**

The following are ACH Deposit instructions on April 20, 2001 for U.S. Bank Trust, :

For Company Account, ~~9-4112-500~~

Via ACH Deposit

U.S. Bank NA, Minneapolis ABA #091 000 022

For Credit to Account 1801 2119 6976

Ref: A/C # 77090791 Attn: Jamie Stahle-Longview Aluminum Blocked A/C

Inv. #

0301

FILE CODE: FI-17
RETENTION: KGRD = A + 3 YRS. OTHERS = 3 YRS.



Corporate Trust
Services

100 Wall Street
Suite 1600
New York, NY 10005
(212) 361-2500
Fax: (212) 809-5459

Fac Cover Sheet

DATE: 4/10/01

TIME: 4:59 PM

TO: Jane O'Leary

PHONE: 503-230-3949
FAX: 503-230-5663

FROM: Patrick J. Crowley

PHONE: (212) 361-2505
FAX: (212) 809-4993

NUMBER OF PAGES INCLUDING COVER SHEET: 1

Message

The following are ACH Deposit Instructions on April 20, 2001 for U.S. Bank Trust, :

For Company Account, \$-~~100000000~~

Via ACH Deposit

U.S. Bank NA, Minneapolis ABA #091 000 022

For Credit to Account 1801 2119 6976

Ref: A/C # 77090793 Attn: Jamie Stahle-Ableco Funding LLC A/C

Inv. #

0301

P-1103-E-9665

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Tane O'Leary-Brattebo

attached
9/20/67
W. H. H.
6/20/67

Public Utilities Specialist

3949

7. CONTRACT NUMBER

9. SERVICES DETERMINED ACCEPTABLE ON:

5/31/01

YES ☐ NO ☒

Long Alum 00

TIN# 36-4413745

COMMENTS:

11. BU:

19.
\$ AMOUNT

2,530, F33

0501

Power 242025

Due	Due Date	6/20/81
----------------	----------	---------

\$ TOTAL

usbank

920167

Unit: POWER Invoice: 77090791 0501 Vendor: LONGVIEW ALUMINUM LLC
 Voucher: 00009665 Date: 06/10/2001 ID: LONGALUM00 Pay Group:

Payment Details

Bank: TREAS
 Account: DISB
 Reference: 0000920167
 Date: 06/20/2001

Payment Method

Wire

Payment Action

Record

Pay

Gross Amt:

Discount:

Full

2,530,833.00

0.00

Payee

Remit to: LONGALUM00

Location: 00

Addr: 1

LONGVIEW ALUMINUM LLC
 C/O MCCOOK METALS
 MCCOOK, IL 60625-3294

PAGES: 1 Includes cover page

Donna,

Below are the wire instructions for Longview. If you have further questions you can call me at the above number or Jamie Stahle at 651-244-8307.

Stacey

US BANK WIRE INSTRUCTIONS:

ABA: 091000022

BNF: U.S. Bank Trust N.A.

A/C: 180121167365

OBI: Attn: Corp Tr a/c #47300017

ffc: 77090790 Longview Jamie Stahle

91, 92 or 94

77090791

ST. Paul
Apts.

Enter Voucher Information - Use - Voucher

File Edit View Go Favorites Use Process Inquire Report Help



Invoice Header Information | Line Information and Charges | Schedule Payment | Record Payment | Approvals and Match

Go

Unit: POWER Invoice: 77090791 0501 Vendor: LONGVIEW ALUMINUM LLC
 Voucher: 00009665 Date: 06/10/2001 ID: LONGALUM00 Pay Group:

Payment Details

Bank: TREAS
 Account: DISB
 Net Due: 06/20/2001
 Discount Due:
 Scheduled Due: 06/20/2001
 Handling: PP

Payment Method

EFT

Payment Action

Schedule
 Gross Amt: 2,530,833.00
 Discount: 0.00
☒ Separate ☐ Withd Hold
☐ Hold Reason:

Payee

Remit to: LONGALUM00 LONGVIEW ALUMINUM LLC
 Location: 00 C/O MCCOOK METALS
 Addr: 1 MCCOOK, IL 60525-3294

F5PRD

Schedule Payment

Update/Display

4 object(s)

1.84 KB

My Computer

Start



PeopleSoft Production

Enter Voucher Informatio...

Manage Purchase Orders

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORMElectronic Form Approved
by GILR - 02/22/2001

(* Use F1 key for help.)

P-1103-E-9669

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

1. NAME

Jane O'Leary-Brattebo

2. TITLE

Public Utilities Specialist

3. DEPT. I.D.

PGSC

4. PHONE

3949

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Alum LLC

7. CONTRACT NUMBER

01PB 10786

8. SERVICES RECEIVED FROM (Date)

5/1/01

TO (Date)

5/31/01

9. SERVICES DETERMINED ACCEPTABLE ON:

10. FINAL PAYMENT?

YES ☐NO ☒

COMMENTS:

LONGALUM 00

TIN# 36-4413745

for ABELCO FUNDING LLC

11. BU:

* 12.
INVOICE
NUMBER13. GL
(See second/third
page of this form
for correct
accounting
information)14. DEPT
I.D.

15. ABM

16. WO

17.
TASK18.
DCE
(See
second/third
page of this
form for correct
accounting
information)19.
\$ AMOUNT

77090793

600350 EXP

PTF

PEAA

00003859

01

REM

17,671,547

0501

Power 242025

Due Date

6/20/01

\$ TOTAL

U.S. BANK P.01/01

Invoice Header Information Line Information and Charges Schedule Payment Record Payment Approvals and Matching

Unit: POWER Invoice: 77090793 0501 Vendor: LONGVIEW ALUMINUM LLC
 Voucher: 00009669 Date: 06/10/2001 ID: LONGALUM01 Pay Group:

720168

Payment Details

Bank: TREAS
 Account: DISB
 Reference: 0000920168
 Date: 06/20/2001

Payment Method

Wire

Payment Action

Record
 Pay Full
 Gross Amt: 17,671,547.00
 Discount: 0.00

Payee

Remit to: LONGALUM01 LONGVIEW ALUMINUM LLC
 Location: 01 Addr: 1 FOR ABLECO FINANCE LLC
 LONGVIEW, VA 80632-9461

Fax: (212) 809-5459

Date: 06/20/01
 PAGES: 1 Includes cover page

Donna,

Below are the wire instructions for Longview. If you have further questions you can call me at the above number or Jamie Stahle at 651-244-8307.

Stacey

US BANK WIRE INSTRUCTIONS:

ABA: 091000022
 BNF: U.S. Bank Trust N.A.
 A/C: 180121167365
 OBI: Attn: Corp Tr a/c #47300017
 ffc: 77090790 Longview Jamie Stahle
 91, or 94

ST. Paul
 244-8307

77090793

Enter Voucher Information - Use - Voucher

File Edit View Go Favorites Use Process Inquire Report Help

Unit: POWER Invoice: 77090793 0501 Vendor: LONGVIEW ALUMINUM LLC

Voucher: 00009669 Date: 06/10/2001 ID: LONGALUM01 Pay Group:

Payment Details

Payment Method

Payment Action

Bank: TREAS

Account: DISB

Net Due: 06/20/2001

Discount Due:

Scheduled Due: 06/20/2001

Handling: PP

EFT

Schedule

Gross Amt: 17,671,547.00

Discount: 0.00

☒ Separate ☐ Wthd Hold

☐ Hold Reason:

Payee

Remit to: LONGALUM01

Location: 01

Addr: 1

LONGVIEW ALUMINUM LLC

FOR ABLECO FINANCE LLC

LONGVIEW, WA 98832-9461

FSPRD

Schedule Payment

Update/Display

4 object(s)

1.84 KB

My Computer

Start

PeopleSoft Production

Enter Voucher Informatio...

Manage Purchase Orders

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

(* Use F1 key for help.)

92069
P-1103-E-9670

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles or services on the attached invoice. (Signature)

Jane O'Leary-Brattebo

1. NAME

Jane O'Leary-Brattebo

2. TITLE

Public Utilities Specialist

3. DEPT. I.D.

PGSC

4. PHONE

3949

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Alum LLC

7. CONTRACT NUMBER

01 PB-10786

8. SERVICES RECEIVED FROM (Date)

5/1/01

TO (Date)

5/31/01

9. SERVICES DETERMINED ACCEPTABLE ON:

TIN# 36-4413745

10. FINAL PAYMENT?

YES ☐NO ☒

COMMENTS:

Longview Alum O

for Longview Aluminum Union

11. BU:

* 12.
INVOICE
NUMBER13. GL
(See second/third
page of this form
for correct
accounting
information)14. DEPT
I.D.

15. ABM

16. WO

17.
TASK18.
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form for correct
accounting
information)19.
\$ AMOUNT77090794
0501

600350 EXP

PTF

PEAA

00003859

01

REM

1,666,667

Power 242025

Due Date 6/20/01

\$ TOTAL

usbank

Facs

Comp
P

From: Stacey
Company: U. S. Bank
Phone: (212) 361-2529
Fax: (212) 809-5459

Date: 06/20/01
PAGES: 1 Includes cover page

Donna,

Below are the wire instructions for Longview. If you have further questions you can call me at the above number or Jamie Stahle at 651-244-8307.

Stacey

US BANK WIRE INSTRUCTIONS:

ABA: 091000022
BNF: U.S. Bank Trust N.A.
A/C: 180121167365
OBI: Attn: Corp Tr a/c #47300017
ffc: 77090790 Longview Jamie Stahle
91, 92, or 94

77090794

Unit: POWER
Voucher: 00003670
Invoice: 77090794 0501
Date: 06/10/2001

Vendor: LONGVIEW ALUMINUM LLC
ID: LONGALUM02
Pay Group:

Payment Details
Bank: TREAS
Account: DISB
Reference: 0000920169
Date: 06/20/2001

Payment Method
Wire

Payment Action
Record
Pay: Full
Gross Amt: 1,666,667.00
Discount: 0.00

Payee
Remit to: LONGALUM02
Location: 02

Addr: 1
LONGVIEW ALUMINUM LLC
FOR UNION ACCOUNT
LONGVIEW, WA 98632-3461

Enter Voucher Information - Use - Voucher

File Edit View Go Favorites Use Process Inquire Report Help



Invoice Header Information | Line Information and Charges | Schedule Payment | Record Payment | Approvals and Match

Go

Unit: POWER Invoice: 77090794 0501 Vendor: LONGVIEW ALUMINUM LLC
Voucher: 00009670 Date: 06/10/2001 ID: LONGALUM02 Pay Group:

Payment Details

Bank: TREAS
Account: DISB
Net Due: 06/20/2001
Discount Due:
Scheduled Due: 06/20/2001
Handling: PP

Payment Method

EFT

Payment Action

Schedule
Gross Amt: 1,666,667.00
Discount: 0.00
☒ Separate ☐ Withd Hold
☐ Hold Reason:

Payee

Remit to: LONGALUM02 LONGVIEW ALUMINUM LLC
Location: 02 Addr: 1 FOR UNION ACCOUNT
LONGVIEW, WA 98632-3461

FSPRD

Schedule Payment

Update/Display

4 object(s)

1.64 KB

My Computer

Start



PeopleSoft Production

Enter Voucher Informatio...

Manage Purchase Orders

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

(* Use F1 key for help.)

P-1214-E-10621

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Jane O'Leary Brattebo

1. NAME

Jane O'Leary-Brattebo

2. TITLE

Public Utilities Specialist

3. DEPT. I.D.

PGSC

4. PHONE

3949

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Aluminum LLC

7. CONTRACT NUMBER

01PB-10786

8. SERVICES RECEIVED FROM (Date)

6/1/01

TO (Date)

6/30/01

9. SERVICES DETERMINED ACCEPTABLE ON:

10. FINAL PAYMENT?

YES ☐NO ☒

LongAlum 02

COMMENTS:

Longview Aluminum Union

11. BU:

* 12.
INVOICE
NUMBER13. GL
(See second/third
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accounting
information)14. DEPT
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15. ABM

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form for correct
accounting
information)19.
\$ AMOUNT

77090794

600350 EXP

PTF

PEAA

00003859

01

REM

1,750,000

0601

Power 242025

Due Date

7/20/01

\$ TOTAL

(* Use F1 key for help.)

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Tane O'Leary - Brattleboro

1. NAME

Jane O'Leary-Brattebo

3. DEPT. I.D.

PGSC

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Aluminum, LLC

7. CONTRACT NUMBER

01PB - 10786

8. SERVICES RECEIVED FROM (Date)

61101

TO (Date)

6/30/01

9. SERVICES DETERMINED ACCEPTABLE ON:

10. FINAL PAYMENT?

YES ☐ NO ☒

COMMENTS:

Long Alum 00

11. BU:

* 12.
INVOICE
NUMBER

13. GL
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page of this form
for correct
accounting
information)

14. DEPT
I.D.

15. ABM

16. WO

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TASK

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accounting
information)

19.
\$ AMOUNT

77090791

0601

~~600350 EXP~~

PTF

~~PEAA~~

~~00003859~~

01

~~REM~~

1,447,500

Power 242025

Due Date

7/20/0

\$ TOTAL

(* Use F1 key for help.)

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Tone O'Leary - Brattleboro

1. NAME

Jane O'Leary-Brattebo

3. DEPT. I.D.

PGSC

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Aluminum LLC

7. CONTRACT NUMBER

01PR-10786

8 SERVICES RECEIVED FROM (Date)

7/10

TO (Date)

7/3/01

9. SERVICES DETERMINED ACCEPTABLE ON:

10. FINAL PAYMENT?

YES ☐ NO ☒

COMMENTS:

LONG ALUM 01

ABelco Funding LLC

11. BU:	Power.
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* 12.
INVOICE
NUMBER

13. GL
(See second/third
page of this form
for correct
accounting
information)

14. DEPT
I.D.

15. ABM

16. WO

17.
TASK

18.
DCE
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second/third
page of this
form for correct
accounting
information)

19.
\$ AMOUNT

77090793

~~600350-EXP~~

~~SECRET~~

~~PEAA~~

~~00003859~~

-01

~~REM~~

18,671,547

0701

Power
242025

Due Date	8/20/01
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\$ TOTAL

FILE CODE: FH-1

RETENTION: KGRD = A + 3 YRS; OTHERS = 3 YRS

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

P-1320-E-11533

(* Use F1 key for help.)

I certify to the purchase pursuant to my delegation of authority of
the articles or services on the attached invoice. (Signature)I certify to the acceptance of the articles of services on the attached
invoice. (Signature)

Jane O'Leary-Brattebo

1. NAME

Jane O'Leary-Brattebo

2. TITLE

Public Utilities Specialist

3. DEPT. I.D.

PGSC

4. PHONE

3949

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Aluminum LLC

7. CONTRACT NUMBER

01PR-10786

8. SERVICES RECEIVED FROM (Date)

7/1/01

TO (Date)

7/31/01

9. SERVICES DETERMINED ACCEPTABLE ON:

10. FINAL PAYMENT?

YES ☐ NO ☒

LongAlum 02

COMMENTS:

Longview Aluminum Union

11. BU:

Power

12.
INVOICE
NUMBER13. GL
(See second/third
page of this form
for correct
accounting
information)14. DEPT
I.D.

15. ABM

16. WO

17.
TASK18.
DCE
(See
second/third
page of this
form for correct
accounting
information)19.
\$ AMOUNT

77090794

600350 EXP

PTF

PEAA

00003859

01

RBM

1,750,000

0701

242025
Power

Due Date 8/20/01

\$ TOTAL

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

(* Use F1 key for help.)

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

John O'Leary - Brattleboro

1. NAME

Jane O'Leary-Brattebo

3. DEPT. I.D.

PGSE PGK

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Aluminum LLC

7. CONTRACT NUMBER

01 PB- 10786

8. SERVICES RECEIVED FROM (Date)









TO (Date)

9/3/01

9. SERVICES DETERMINED ACCEPTABLE ON:

10. FINAL PAYMENT?

YES ☐ NO ☒

LONG ALUM OO

COMMENTS:

11. BU:

* 12.
INVOICE
NUMBER

13. GL
(See second/third
page of this form
for correct
accounting
information)

14. DEPT
I.D.

15. ABM

16. WO

17.
TASK

18.
DCE
(See
second/third
page of this
form for correct
accounting
information)

19.
\$ AMOUNT

77090791

~~600350 EXP~~

LET

PEAA

00003859

01

REM

2,530,833

0801

Power	242025
-------	--------

Due Date	9/20/01
----------	---------

\$ TOTAL

FILE CODE: FI-1
RETENTION: KGRD = A + 3 YRS; OTHERS = 3 YRS

(* Use F1 key for help.)

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature) _____

cc. (Signature)
 Jane O'Leary-Bratton

1. NAME

Jane O'Leary-Brattebo

3. DEPT. I.D.

~~PGSE~~ f6k

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Aluminum LLC

7. CONTRACT NUMBER

01PR-10786

8. SERVICES RECEIVED FROM (Date)

File

TO (Date)

8/3/01

8. SERVICES DETERMINED ACCEPTABLE ON:

10. FINAL PAYMENT?

YES ☐ NO ☒

COMMENTS:

LONGALUM OI

Abelco Funding LLC

11. BU:

* 12.
INVOICE
NUMBER

13. GL
(See second/third
page of this form
for correct
accounting
information)

14. DEPT
I.D.

15. ABM

16. WO

17.
TASK

18.
DCE
(See
second/third
page of this
form for correct
accounting
information)

19.
\$ AMOUNT

77090793

0801

~~600350-EXP~~

~~SECRET~~

FEA

~~00003859~~

—03

REM

17,671,547

Power 242025

Due Date 9/20/01

\$ TOTAL

FILE CODE: FI-1
RETENTION: KGRD = A + 3 YRS; OTHERS = 3 YRS

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Tone O'Leary - Brattleboro

Public Utilities Specialist

4 PHONE

3949

6. VENDOR NAME

Longview Aluminum LLC

7. CONTRACT NUMBER

01PR-10786

TO (Date)

9/3/01

9. SERVICES DETERMINED ACCEPTABLE ON:

YES ☐ NO ☒

LONGALUM 02

Longview Aluminium Union

11. BU:

19.
\$ AMOUNT

77090794

600350-EXCP

1977

FEAR

~~00003859~~

— 〇 〇 —

~~SECRET~~

1,666,667

0801

power

242025

Due Date 9/20/01

\$ TOTAL

U.S. DEPARTMENT OF ENERGY

BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Jane O'Leary-Brattebo

1. NAME

Jane O'Leary-Brattebo

2. TITLE

Public Utilities Specialist

3. DEPT. I.D.

PGK

5. INVOICE RECEIPT DATE

6. VENDOR NAME

TO (Date)

9/30/01

9. SERVICES DETERMINED ACCEPTABLE ON:

8. SERVICES RECEIVED FROM (Date)

10. FINAL PAYMENT?

YES ☐ NO ☒

COMMENTS:

11. BU: POWER

12. INVOICE NUMBER

(See second/third page of this form for correct accounting information)

14. DEPT I.D.

15. ABM

16. WO

17. TASK

18. DCE (See second/third page of this form for correct accounting information)

19. \$ AMOUNT

77090794

232009

0901 242025

3,100,000

Due Date 10/22/01

Longview 02
Longview Aluminum Union

\$ TOTAL

P-1532-E-14026

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature) *Jane O'Leary-Brattabo*

INVOICE CERTIFICATION / ACCOUNTING FORM

1. NAME Jane O'Leary-Brattabo	2. TITLE Public Utilities Specialist
3. DEPT. I.D.	4. PHONE 3949
5. INVOICE RECEIPT DATE	6. VENDOR NAME Longview Aluminum LLC
7. CONTRACT NUMBER 0198-10786	8. SERVICES RECEIVED FROM (Date) 9/30/01
9. SERVICES DETERMINED ACCEPTABLE ON: 9/30/01	10. FINAL PAYMENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
COMMENTS: LONGALUM 01 Abelco Funding LLC	
11. BU: POWER	12. INVOICE NUMBER 77090793
13. GL 232009	14. DEPT. I.D.
15. ABM	16. WO
17. TASK	18. DCE 10/22/01
19. \$ AMOUNT 17,321.547	

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION

INVOICE CERTIFICATION / ACCOUNTING FORM

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

John O'Leary Brattico

1. NAME

Jane O'Leary-Brattico

2. TITLE

Public Utilities Specialist

3. DEPT. I.D.

4. PHONE

3949

PGK

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Aluminum LLC

7. CONTRACT NUMBER

0198-10786

8. SERVICES RECEIVED FROM (Date)

TO (Date)

9/30/01

9/30/01

9. SERVICES DETERMINED ACCEPTABLE ON:

10. FINAL PAYMENT?

YES ☐ NO ☒

COMMENTS:

11. BU: POWER

LONG ALUM 00

12. INVOICE NUMBER

13. GL (See second/third page of this form for correct accounting information)

14. DEPT I.D.

15. ABM

16. WO

17. TASK

18. DCE (See second/third page of this form for correct accounting information)

19. \$ AMOUNT

17090791

232009

0901

242005

1,447,500

Due Date 10/22/01

\$ TOTAL

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Jane O'Leary-Brattabo

1. NAME

Jane O'Leary-Brattabo

2. TITLE

Public Utilities Specialist

3. DEPT. I.D.

4. PHONE

PGK

3949

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Aluminum LLC

7. CONTRACT NUMBER

01PB-10766

8. SERVICES RECEIVED FROM (Date)

TO (Date)

9. SERVICES DETERMINED ACCEPTABLE ON:

10/1/01

10/31/01

10. FINAL PAYMENT?

YES ☐ NO ☒

COMMENTS:

LONGALUM - 00

11. BU: POWER

12. INVOICE NUMBER

13. GL (See second/third page of this form for correct accounting information)

14. DEPT. I.D.

15. ABM

16. WO

17. TASK

18. DCE (See second/third page of this form for correct accounting information)

19. \$ AMOUNT

77060791

232009

1001

242025

1,447,500

Due Date 11/20/01

\$ TOTAL

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Jane O'Leary-Brattbo

2. TITLE

Public Utilities Specialist

4. PHONE

3949

1. NAME

Jane O'Leary-Brattbo

3. DEPT. I.D.

PGK

5. INVOICE RECEIPT DATE

6. VENDOR NAME

Longview Aluminum LLC

7. CONTRACT NUMBER

0198-10796

8. SERVICES RECEIVED FROM (Date)

TO (Date)

10/31/01

9. SERVICES DETERMINED ACCEPTABLE ON:

10/1/01

10/31/01

10. FINAL PAYMENT?

YES ☐ NO ☒

COMMENTS:

11. BU: POWER

Longview Aluminum - 01
Abelco Funding LLC

12. INVOICE NUMBER

13. GL (See second/third page of this form for correct accounting information)

14. DEPT I.D.

15. ABM

16. W/O

17. TASK

18. DCE (See second/third page of this form for correct accounting information)

19. \$ AMOUNT

97090793

22005-

242025

10,035,933

1001

Due Date 11/20/01

\$ TOTAL

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

P-16667-Wire-14988

Wire

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Jane O'Leary-Brattebo

11/37A

11/20/01

ACK

1. NAME
Jane O'Leary-Brattebo
2. TITLE
Public Utilities Specialist
3. DEPT. I.D.
3949
4. PHONE

5. INVOICE RECEIPT DATE

6. VENDOR NAME
Longview Aluminum LLC

7. CONTRACT NUMBER
0198-10786

8. SERVICES RECEIVED FROM (Date)
10/1/01

TO (Date)
10/31/01

9. SERVICES DETERMINED ACCEPTABLE ON:

Long Alum-02

Longview Alum Union

10. FINAL PAYMENT?
YES ☐ NO ☒

11. BU: POWER

12. INVOICE NUMBER	13. GL	14. DEPT. I.D.	15. ABM	16. WO	17. TASK	18. DCE	19. \$ AMOUNT
77090794							3,100,000

Invoice Header Information | Line Information and Charges | Schedule Payment | Record Payment | Approvals and Matching

Unit: POWER Invoice: 77090794 1001 Vendor: LONGVIEW ALUMINUM LLC
Voucher: 00014988 Date: 11/10/2001 ID: LONGALUM02 Pay Group:

Payment Details

Payment Method

Payment Action

Bank: TREAS
Account: DISB
Reference: 0000200009
Date: 11/20/2001

Wire

Record
Pay: Full
Gross Amt: 3,100,000.00
Discount: 0.00

11/20/01

Payee
Remit to: LONGALUM02
Location: 02 Add: 1

LONGVIEW ALUMINUM LLC
FOR UNION ACCOUNT
LONGVIEW, WA 98632-9451

\$ TOTAL

17 RETENTION: KGRD = A + 3 YRS; OTHERS = 3 YRS.

11/20/01

National City Bank of Pennsylvania
20 Stanwix Street, 16th Floor
Pittsburgh, PA 15222

Fax Cover Sheet

DATE: November 15, 2001

TO: Donna Winters

PHONE: (503) 230-3016

FAX: (503) 230-3016 **5471**

FROM: Janis Sabolcik
National City Bank of PA

PHONE: (412) 644-8405

FAX: (412) 644-7783

Number of pages including cover sheet: 1

Message

Cash Transfers:

FED WIRE:

National City Bank

Cleveland, OH

ABA #041 000 124

BNF Number: 217115

BNF Name: Trust Department

Attn: Seamus M. Murphy

FFCT: USWA Trust

46 P14335007

Tax ID. 36-44 13 745

Enter Voucher Information - Use - Voucher

File Edit View Go Favorites Use Process Inquire Report Help



Invoice Header Information Line Information and Charges Schedule Payment Record Payment Approvals and Match

Unit: POWER Invoice: 77090794 1001 Vendor: LONGVIEW ALUMINUM LLC
Voucher: 00014988 Date: 11/10/2001 ID: LONGALUM02 Pay Group:



Payment Details

Bank: TREAS
Account: DISB
Net Due: 11/20/2001
Discount Due:
Scheduled Due: 11/20/2001
Handling: PP

Payment Method

EFT

Payment Action

Schedule
Gross Amt: 3,100,000.00
Discount: 0.00
☒ Separate ☐ Withd Hold
☐ Hold Reason:

Payee

Remit to: LONGALUM02 LONGVIEW ALUMINUM LLC
Location: 02 FOR UNION ACCOUNT
Addr: 1 LONGVIEW, WA 98632-9461

FSPRDUNX

Schedule Payment

Add

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

P1761-W-15797

Electronic Form Approved
by GSA - 10/07/2001

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature) _____

Jane C. Leary - Rattels

[illegible]

Jane O'Leary-Bratbo

Public

Public Utilities Specialist

PGK

PGK

3949

3945

5. INVOICE RECEIPT DATE:

6. VENDOR NAME

NAME

7. CONTRACT NUMBER

NUMBER 100

8. SERVICES RECEIVED FROM (Date)

8. To (Date)

10. SERVICES DETERMINED ACCEPTABLE ON:

1 mile AL-UM 00

11/1/01

11/30/01

11. FINAL PAYMENT?

YES ☐ NO ☒

12. To view valid list of GLs and DCE's click on the hyperlink below.

http://bspweb01/asp/code_search.ASP

13. COMMENTS: POWER

[illegible]**\$ TOTAL**

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORMElectronic Form Approved
by CLP - 11/07/2001

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

Jane O'Leary-Brattebo

1. NAME Jane O'Leary-Brattebo 2. TITLE Public Utilities Specialist 3. DEPT. I.D. PGK 3949 4. PHONE

5. INVOICE RECEIPT DATE 6. VENDOR NAME Longview Alum LLC

7. CONTRACT NUMBER 01PB-10786

8. SERVICES RECEIVED FROM (Date) 11/1/01 9. TO (Date) 11/30/01

10. SERVICES DETERMINED ACCEPTABLE ON:

LONGALUM 02 Union Account

11. FINAL PAYMENT?

YES ☐ NO ☒ X

12. To view valid list of GLs and DCE's click on the hyperlink below.

http://bspweb01/asp/code_search.asp

13. COMMENTS: POWER

14. BU:

15. INVOICE NUMBER	16. GL (To view valid list of GLs and DCE click on the hyperlink above in block 12)	17. DEPT I.D.	18. ABM	19. WO	20. TASK	21. DCE (To view valid list of GLs and DCE click on the hyperlink above in block 12)	22. \$ AMOUNT
--------------------	---	---------------	---------	--------	----------	--	---------------

77090794	233009						3,016.666
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11/01 242025

Edit View Go Favorites Use Process Inquire Report Help

Invoice Header Information Line Information and Charges Schedule Payment Record Payment Approvals and Matching

Unit: POWER Invoice: 77090794 11/01 Vendor: LONGVIEW ALUMINUM LLC

Voucher: 00015985 Date: 12/10/2001 ID: LONGALUM02 Pay Group:

Payment Details

Bank: TREAS

Account: D158

Reference: 00000200021

12/20/2001

Payment Method

Wire

Payment Action

Record

Pay:

Full

Gross Amt:

3,016.666.00

Discount:

0.000

Wire transfer

\$ TOTAL

FILE CODE: FI-17 RETENTION: KEND=A+3 YRS; OTHERS=3 YRS.

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature) *D. J. J. J.*

John O'Shea - Brilleto

[illegible]

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
INVOICE CERTIFICATION / ACCOUNTING FORM

Electronic Form Approved
by GSA - 12/17/2001

<p>I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)</p>	<p>I certify to the acceptance of the articles of services on the attached invoice. (Signature)</p>
--	---

invoice. (Signature)
Jane O'Shea-Battilo

1. NAME	2. TITLE	3. DEPT. I.D.	4. PHONE
Jane O'Leary-Brattebo	Public Utilities Specialist	PGK	3949
5. INVOICE RECEIPT DATE	6. VENDOR NAME	7. CONTRACT NUMBER	
	Longview Aluminum LLC	01PK 10786	
8. SERVICES RECEIVED FROM (Date)	9. TO (Date)	10. SERVICES DETERMINED ACCEPTABLE ON:	11. FINAL PAYMENT?
12/1/01	12/31/01		YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
12. To view valid list of GLs and DCE's click on the hyperlink below.			
http://bspweb01.asp/code_search.ASP			
13. COMMENTS:			14. BU:
			LONGALUM 01 ABELCO

[illegible]

Due 12/20/02

U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION

Electronic Fo
by CILR-1

12/20/02 wire 2,000 4

INVOICE CERTIFICATION / ACCOUNTING FORM

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

1. NAME: Jane O'Leary-Brattebo
2. TITLE: Public Utilities Specialist
3. DEPT. I.D.: PGK
4. PHONE: 3949
5. INVOICE RECEIPT DATE: 12/1/01
6. VENDOR NAME: Longview Aluminum LLC
7. CONTRACT NUMBER: 0118-10786
8. SERVICES RECEIVED FROM (Date): 12/1/01
9. TO (Date): 12/31/01
10. SERVICES DETERMINED ACCEPTABLE ON: YES ☐ NO ☒
11. FINAL PAYMENT?

12. To view valid list of GLs and DCE's click on the hyperlink below.

<http://bspweb01/asp/code search.ASP>

13. COMMENTS:

15. INVOICE NUMBER	16. GL (To view valid list of GLs and DCE click on the hyperlink above in block 12.)	17. DEPT I.D.	18. ABM	19. WO	20. TASK	21. DCE (To view valid list of GLs and DCE click on the hyperlink above in block 12.)	22. \$ AMOUNT
77090794	242025						3,200.00
1201							

14. BU: LONG ALUM 02 Union Account

15. COMMENTS: 12/20/02

16. DATE: 1-22-02

17. WIRE transfer

Unit: POWER Invoice: 77080754 1201 Vendor: LONGVIEW ALUMINUM LLC
Voucher: 00015638 Date: 01/12/2002 ID: LONGALUM02 Pay Group:

Payment Method: Wire
Payment Action: Record
Pay: Full
Gross Amt: 3,200,000.00
Discount: 0.00

Payment Details: Bank: TREAS
Account: DISB
Reference: 0000200024
Date: 01/22/2002

Payment: 3,200.00

File Code: FI-17 RETENTION: KORD = A + 3 YRS; OTHERS = 3 YRS.

Remit to: LONGALUM02
Location: 02
Address: 1
Longview Aluminum LLC
FOR UNION ACCOUNT
LONGVIEW, VA 22602-9451

PATTON BOGGS LLP
ATTORNEYS AT LAW

2100 M Street, NW
Washington, DC 20007-1364
202-467-1100

Facsimile 202-467-6216
www.pattonboggs.com

December 4, 2001

Jeffrey T. Smith
202-457-6024
jsmith@pattonboggs.com

Mark Miller
P.O. Box
Bonneville Power Administration
P.O. Box 3621
905 NE 11th Avenue
Portland, OR 97208-3621

Dear Mark:

Please provide me with a draft revised Exhibit B, Table 2, to the Curtailment Agreement dated February 21, 2001 between the Bonneville Power Administration and Longview Aluminum, LLC (Contract No. 01PB-10786). The bank information should be changed to the following:

Bank of America, Chicago, IL, ABA #11100012

Longview Aluminum Hourly Payroll Account

Account No. 375 215 7994

Sincerely,


Jeffrey T. Smith

JTS/slf

INVOICE CERTIFICATION / ACCOUNTING FORM

I certify to the acceptance of the articles of services on the attached invoice. (Signature) _____

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

1. NAME Jane O'Leary-Brattebo	2. TITLE Public Utilities Specialist	3. DEPT. I.D. PGK	4. PHONE 3949
5. INVOICE RECEIPT DATE	6. VENDOR NAME Longview Aluminum LLC	7. CONTRACT NUMBER DIPB-10786	
8. SERVICES RECEIVED FROM (Date) 01/01/02	9. TO (Date) 01/31/02	10. SERVICES DETERMINED ACCEPTABLE ON:	11. FINAL PAYMENT? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>

12. To view valid list of GLs and DCE's click on the hyperlink below.

http://bspweb01/asp/code_search.ASP

13. COMMENTS:

[illegible]

\$TOTAL

FILE CODE: FI-17 RETENTION: KGRD = A + 3 YRS; OTHERS = 3 YRS.

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature)

I certify to the acceptance of the articles of services on the attached invoice. (Signature)

1. NAME Jane O'Leary-Brattebo	2. TITLE Public Utilities Specialist	3. DEPT. I.D. PGK	14. PHONE 3949
5. INVOICE RECEIPT DATE	6. VENDOR NAME Longview Aluminum LLC	7. CONTRACT NUMBER 01 PR 10786	
8. SERVICES RECEIVED FROM (Date) 01/01/02	9. TO (Date) 01/31/02	10. SERVICES DETERMINED ACCEPTABLE ON:	11. FINAL PAYMENT? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>

12. To view valid list of GLs and DCE's click on the hyperlink below.

http://bspweb01/asp/code_search.ASP

13. COMMENTS:

[illegible]

FILE CODE: FI-17 RETENTION: KGRD=A+3 YRS; OTHERS=3 YRS.

INVOICE CERTIFICATION / ACCOUNTING FORM

I certify to the purchase pursuant to my delegation of authority of the articles or services on the attached invoice. (Signature) *Jane O'Leary-Brattebo* 1/14/02

1. NAME: Jane O'Leary-Brattebo 2. TITLE: Public Utilities Specialist 3. DEPT. I.D.: PGK 3949 4. INVOICE RECEIPT DATE: 5. VENDOR NAME: Longview Aluminum LLC 6. CONTRACT NUMBER: 01PB-10786 TIN#: 364413745 7. SERVICES RECEIVED FROM (Date): 01/01/02 8. TO (Date): 01/31/02 9. TO (Date): 01/31/02 10. SERVICES DETERMINED ACCEPTABLE ON: 11. FINAL PAYMENT? YES ☐ NO ☒

12. To view valid list of GLs and DCE's click on the hyperlink below.
http://bspweb01/asp/code_search.asp

13. COMMENTS:

15. INVOICE NUMBER	16. GL (To view valid list of GLs and DCE click on the hyperlink above in block 12.)	17. DEPT I.D.	18. ABM	19. WO	20. TASK	21. DCE (To view valid list of GLs and DCE click on the hyperlink above in block 12.)	22. \$ AMOUNT
77090794	232009						
0102	242025						3,200,000

ENTER VOUCHER INFORMATION - Use - PD Voucher

Unit: POWER Invoice: 77090794 0102 Vendor: LONGVIEW ALUMINUM LLC
Voucher: 00017661 Date: 02/10/2002 ID: LONGALUM02 Pay Group:

Payment Details

Bank: TREAS
Account: DISB
Reference: 00002000030
Date: 02/20/2002

Payment Method: Wire
Payment Action: Record
Pay: Full
Gross Amt: 3,200,000.00
Discount: 0.00

Payee: LONGVIEW ALUMINUM LLC
Permit to: LONGALUM02
Location: 02 Addr: 1

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Longview Aluminum LLC
Ernie McCarty
Post Office Box 2484
Longview, WA 98632

2. Article Number

(Transfer from service label)

7002 0860 0004 8717 9429

PS Form 3811, August 2001

Domestic Return Receipt

102595-01-M-25

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]*

☐ Agent

☐ Addressee

B. Received by (Printed Name)

JA Mostrombo

C. Date of Delivery

11/18/02

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☒ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

U.S. Postal Service

CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage

\$

Certified Fee

Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

Postmark
Here

Total Price

Longview Aluminum LLC

Sent To

Ernie McCarty

Street, A,
or PO Box

Post Office Box 2484

City, State

Longview, WA 98632

PS Form 3800, April 2002

See Reverse for Instructions

U.S. Postal Service

CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage

\$

Certified Fee

Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

Postmark
Here

Total Price

Longview Aluminum LLC

Sent To

John Kolleng

Street, A,
or PO Box

11 First National Bank Plaza

City, State

20 S Clark Street, Suite 850
Chicago, IL 60603

PS Form 3800, April 2002

See Reverse for Instructions



INVOICE

Invoice:

MSC-02282

Invoice Date:

November 15, 2002

Page:

1 of 1

Please Remit To:

BONNEVILLE POWER ADMIN
FILE NO. 74038
P.O. BOX 60000
SAN FRANCISCO CA 94160-4038

Customer No:

10679

Payment Terms:

NET 20

Due Date:

December 5, 2002

LONGVIEW ALUMINUM LLC

DAVE POREMBA *Ernie McAnky*

PO BOX 2484

LONGVIEW WA 98632

AMOUNT DUE:

16,095,626.00 USD

To ensure that your account is credited properly, please include the invoice number on your check and/or enclose a copy of the invoice with your payment. Thank You.

For billing questions, please call: JOHN ROWLEY
503-230-3340

Original

Line	Description	Quantity	UOM	Unit Amt	Net Amount
1	Damages, May 2002 # 02PB-11124	37,248.00	MH	2.26	84,225.00
	May 1 - 15, 2002				
2	Damages, May 2002 # 02PB-11140	34,920.00	MH	8.74	305,056.00
	May 16 - 31, 2002				
3	Damages, Jun 2002 # 02PB-11153	34,920.00	MH	20.31	709,066.00
	Jun 1 - 15, 2002				
4	Damages, Jun 2002 # 02PB-11159	34,920.00	MH	21.72	758,319.00
	Jun 16 - 30, 2002				
5	Damages, Jul 2002 # 02PB-11173	38,448.00	MH	35.40	1,361,112.00
	Jul 2 - 7, 2002				
6	Damages, Jul 2002 # 02PB-11185	51,264.00	MH	26.97	1,382,779.00
	Jul 8 - 15, 2002				
7	Damages, Jul 2002 # 02PB-11189	102,528.00	MH	24.46	2,507,913.00
	Jul 16 - 31, 2002				
8	Damages, Aug 2002 #02PB-11215	198,648.00	MH	29.64	5,888,546.00
9	Damages, Sep 2002 #02PB-11215	192,240.00	MH	16.12	3,098,610.00
	SEE ATTACHMENTS				

Subtotal:

16,095,626.00

AMOUNT DUE:

16,095,626.00 USD

Questions about attachments contact Mark Miller (503)
230-3662.

Unpaid balance after the due date will accrue interest at a rate of 1 percent per month, unless otherwise stated in the contract or agreement. You have the right to inspect the records and obtain a review, within BPA, of the determination of this indebtedness. All debts are subject to the Debt Collection Improvement Act of 1996.

For Internal Use

--

HUH Market Value = HUH * DJ HUH Price * HUH Curtailment
 LHH Market Value = LHH * DJ LHH Price * LHH Curtailment
 HUH HJ TAC A (or TAC B) Value = HUH * (TAC A HJ HJ (or TAC B HJ HJ) * HUH Curtailment
 LHH HJ TAC A (or TAC B) Value = LHH * (TAC A LHH HJ (or TAC B LHH) * LHH Curtailment
 Total Market Value = HUH HJ TAC A (or TAC B) Value + Transmission Adjustment
 Total Market Value = LHH HJ TAC A (or TAC B) Value + LHH HJ TAC A (or TAC B) Value

HLH Market Value = HLH * DJ HLH Price * HLH Curtailment
LLH Market Value = LLH * DJ LLH Price * LLH Curtailment

$$\text{HLH IP TAC A (or TAC B) Value} = \text{HLH} \cdot (\text{TAC A HLH [or TAC B HLH]}) \cdot \text{HLH Curtailment}$$

Total Market Value = HLH Market Value + LLH Market Value + Transmission Adjustment
Total IP Value = HLH IP TAC A (or TAC B) Value + LLH IP TAC A (or TAC B) Value

CONFIDENTIAL - BUSINESS SENSITIVE																				Jul'02		ATTACHMENT																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
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$$\begin{aligned} & \text{LLH Market Value} = \text{HLH} \cdot \text{DJ LLH Price} \cdot \text{LLH Curtailment} \\ & \text{LLH Market Value} = \text{LLH} \cdot \text{DJ LLH Price} \cdot \text{LLH Curtailment} \\ & \text{HLH IP TAC A (or TAC B) Value} = \text{HLH} \cdot \text{TAC A HLH (or TAC B HLH)} \cdot \text{HLH Curtailment} \\ & \text{LLH Market Value} = \text{LLH} \cdot \text{TAC A LLH (or TAC B LLH)} \cdot \text{LLH Curtailment} \\ & \text{Total IP Value} = \text{HLH Market Value} + \text{LLH Market Value} + \text{Transmission Adjustment} \\ & \text{Total IP Value} = \text{HLH IP TAC A (or TAC B) Value} + \text{LLH IP TAC A (or TAC B) Value} \end{aligned}$$

$$\text{HLH Market Value} = \text{HLH} \times \text{DJ HLH Price} \times \text{HLH Circulation}$$

[Click here and type return address and phone and fax numbers]

Company Name Here

Fax

To: John Kolleng

From: John McCollister

Fax: 312-795-9715

Pages: 7 excluding cover sheet

Phone:

Date: 11/15/2002

Re: Power Bill MSC-02282

CC: Mark Miller 503-230-3662

☒ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

● **Comments:**

Down

[Click here and type return address and phone and fax numbers]

Company Name Here

Fax

To: Ernie McArty

From: John McCollister

Fax: 360-636-8340

Pages: 7 excluding cover sheet

Phone: 360-636-8340 *8212*

Date: 11/15/2002

Re: Power Bill MSC-02282

CC: Mark Miller 503-230-3662

☒ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

• **Comments:**

Done

Department of Energy

Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

AUTHENTICATED

Date: March 27, 2002
To: Longview Aluminum
4900 First Avenue
McCook, IL 60525-3294

Attn: John Kolleng
Fax: 708-387-8919

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
PS/RT FAX: (425) 468-1792 (PRM)

POWER BUSINESS LINE

Trader and Scheduling Phones

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 3/27/02

Traders: Scott Wilson (BPA) and John Kolleng (LVA)

BPA Contract: 02PB-11120

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(B)]

Purchase Deficiency:

Duration of Curtailment	Demand Limit	Hours	Total MWh	Market Value	IP-02 Value	Damages
4/1/02 – 4/30/02	97	HLH	40,352	\$27.30	\$23.80	\$141,232.00
4/1/02 – 4/30/02	97	LLH	29,391	\$27.30	\$23.80	\$102,869.00
7/1/02 – 9/30/02	10	HLH	12,640	\$29.1147	\$40.17	-\$139,739.00
7/1/02 – 9/30/02	10	LLH	9,440	\$29.1147	\$40.17	-\$104,362.00

Damages shall be determined and assessed pursuant to section 6(a)(2)(B) [Option 2] of the reference contract. LVA shall pay BPA damages equal to the amount by which the sum of the product of purchase deficiencies specified in this agreement and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed damages, if any, the month following a month in which the purchase deficiency occurs.

On the above Transaction Date, BPA determined that the net sum of damages associated with purchase deficiencies specified in this agreement equals zero.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ SCOTT K. WILSON

/S/ JOHN L. KOLLENG

Scott Wilson

Name: John L. Kolleng

Account Executive

Title: Vice Chairman

Date: March 27, 2002

Date: March 27, 2002



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

AUTHENTICATED

Date: April 22, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 456-9626

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
PS/RT FAX: (425) 468-1792 (PRM)

POWER BUSINESS LINE

Trader and Scheduling Phones

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
BPA Trading Floor Fax	(503) 230-7463
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BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 4/22/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 02PB-11124

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency:

Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
5/1/02 – 5/16/02	97	HLH	97	21,728
5/1/02 – 5/16/02	97	LLH	97	15,520

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed, any damages, within 60-days after the end of the Contract Year.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK MILLER

/S/ JOHN L. KOLLENG

Mark Miller

Name: John L. Kolleng

Account Executive

Title: Vice Chairman

Date: April 24, 2002

Date: April 24, 2002



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

AUTHENTICATED

Date: May 8, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 456-9626

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
PS/RT FAX: (425) 468-1792 (PRM)

POWER BUSINESS LINE
Trader and Scheduling Phones

Chuck Forman	(503) 230-3432
Mark Miller	(503) 230-4003
Scott Wilson	(503) 230-7638
Harry Clark	(503) 230-3662
BPA Trading Floor Fax	(503) 230-7463
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BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341 or 230-4194

DSI LIQUIDATED DAMAGES AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 5/8/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 02PB-11140

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency:

Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
5/17/02 – 5/31/02	97	HLH	97	20,176
5/17/02 – 5/31/02	97	LLH	97	14,744

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed, any damages, within 60-days after the end of the Contract Year.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK MILLER

/S/ J. L. KOLLENG

Mark Miller

Name: John L. Kolleng

Account Executive

Title: Vice Chairman

Date: May 9, 2002

Date: May 10, 2002



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

AUTHENTICATED

Date: May 22, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 456-9626

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
PS/RT FAX: (425) 468-1792 (PRM)

POWER BUSINESS LINE

Trader and Scheduling Phones

Chuck Forman	(503) 230-3432
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BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341 or 230-4194

DSI LIQUIDATED DAMAGES AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 5/22/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 02PB-11153

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency:

Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
6/1/02 – 6/15/02	97	HLH	97	20,176
6/1/02 – 6/15/02	97	LLH	97	14,744

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed, any damages, within 60-days after the end of the Contract Year.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK MILLER

Mark Miller

Name: _____

Account Executive

Title: _____

Date: May 23, 2002

Date: _____



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

AUTHENTICATED

Date: June 11, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 456-9626

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
PS/RT FAX: (425) 468-1792 (PRM)

POWER BUSINESS LINE

Trader and Scheduling Phones

Chuck Forman	(503) 230-3432
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BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341 or 230-4194

DSI LIQUIDATED DAMAGES AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 6/11/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 02PB-11159

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency:

Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
6/16/02 – 6/30/02	97	HLH	97	18,624
6/16/02 – 6/30/02	97	LLH	97	16,296

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed, any damages, within 60-days after the end of the Contract Year.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK MILLER

/S/ JOHN KOLLENG

Mark Miller

Name: John Kolleng

Account Executive

Title: Vice Chairman

Date: June 12, 2002

Date: June 13, 2002



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

AUTHENTICATED

Date: June 27, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 456-9626

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
PS/RT FAX: (425) 468-1792 (PRM)

POWER BUSINESS LINE Trader and Scheduling Phones

Chuck Forman	(503) 230-3432
Mark Miller	(503) 230-4003
Scott Wilson	(503) 230-7638
Harry Clark	(503) 230-3662
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341 or 230-4194

DSI LIQUIDATED DAMAGES AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 6/27/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 02PB-11173

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency:

Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
7/2/02 – 7/7/02	267	HLH	267	21,360
7/2/02 – 7/7/02	267	LLH	267	17,088

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed, any damages, within 60-days after the end of the Contract Year.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK MILLER

/S/ MICHAEL L. LYNCH

Mark Miller

Name: Michael L. Lynch

Account Executive

Title: Manager

Date: June 27, 2002

Date: June 27, 2002



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

AUTHENTICATED

Date: July 2, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 456-9626

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
PS/RT FAX: (425) 468-1792 (PRM)

**POWER BUSINESS LINE
Trader and Scheduling Phones**

Chuck Forman	(503) 230-3432
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BPA Real Time	(503) 230-3341 or 230-4194

DSI LIQUIDATED DAMAGES AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 7/2/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 02PB-11185

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency:

Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
7/8/02 – 7/15/02	267	HLH	267	29,904
7/8/02 – 7/15/02	267	LLH	267	21,360

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed, any damages, within 60-days after the end of the Contract Year.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK MILLER

/S/ JOHN L. KOLLENG

Mark Miller

Name: John L. Kolleng

Account Executive

Title: Vice Chairman

Date: July 2, 2002

Date: July 2, 2002



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

AUTHENTICATED

Date: July 9, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 456-9626

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
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**POWER BUSINESS LINE
Trader and Scheduling Phones**

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DSI LIQUIDATED DAMAGES AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 7/9/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 02PB-11189

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency:

Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
7/16/02 – 7/31/02	267	HLH	267	59,808
7/16/02 – 7/31/02	267	LLH	267	42,720

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed, any damages, within 60-days after the end of the Contract Year.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK MILLER

/S/ JOHN L. KOLLENG

Mark Miller

Name: John L. Kolleng

Account Executive

Title: Vice Chairman

Date: July 10, 2002

Date: July 10, 2002

All rights reserved under force majeure letter dated July 2, 2002.

/S/ JOHN L. KOLLENG



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

AUTHENTICATED

Date: July 22, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 456-9626

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**POWER BUSINESS LINE
Trader and Scheduling Phones**

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DSI LIQUIDATED DAMAGES AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 7/22/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 02PB-11215

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency:

Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
8/1/02 – 8/31/02	267	HLH	267	115,344
8/1/02 – 8/31/02	267	LLH	267	83,304
9/1/02 – 9/30/02	267	HLH	267	106,800
9/1/02 – 9/30/02	267	LLH	267	85,440

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed, any damages, within 60-days after the end of the Contract Year.

On July 2, 2002, Longview provided Bonneville with notice of the occurrence of an Uncontrollable Force based upon the threat of an imminent strike or work stoppage (the "Notice"). The Notice was provided pursuant to Section 13 of the Block Power Sales Agreement between BPA and Longview. BPA and Longview are not in agreement on whether the event(s) described in the Notice are an Uncontrollable Force under the terms of the Block Power Sales Agreement. Notwithstanding Longview's Notice, Longview is entering into this DSI Liquidated Damages Agreement (Agreement) with Bonneville to memorialize the terms and conditions of the curtailment of Longview's power deliveries under the Block Power Sales Agreement. If it is subsequently determined Longview did not suffer the occurrence of an Uncontrollable Force, then the amount Longview owes to Bonneville shall be determined pursuant to this Agreement and the related curtailment provisions of the Block Power Sales Agreement.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK MILLER

/S/ JOHN L. KOLLENG

Mark Miller

Name: John L. Kolleng

Account Executive

Title: Vice Chairman

Date: July 23, 2002

Date: July 24, 2002



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

POWER BUSINESS LINE
Trader and Scheduling Phones

AUTHENTICATED

Date: September 25, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 456-9626

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
PS/RT (425) 468-1792 (PRM)
FAX:

Chuck Forman (503) 230-3432
Mark Miller (503) 230-4003
Scott Wilson (503) 230-7638
Harry Clark (503) 230-3662
BPA Trading Floor Fax (503) 230-7463
BPA Preschedule Fax (503) 230-3039
BPA SW Preschedule (503) 230-3915
BPA NW Preschedule (503) 230-3813
BPA S. Idaho Presch. (503) 230-4311
BPA Real Time (503) 230-3341
or 230-4194

DSI LIQUIDATED DAMAGES AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 9/25/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 02PB-11233

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency: Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
10/1/02 – 10/31/02	278	HLH	278	120,096
10/1/02 – 10/31/02	278	LLH	278	87,014

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed, any damages, within 60-days after the end of the Contract Year.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK MILLER

/S/ JOHN L KOLLENG

Mark Miller

Name: John Kolleng

Account Executive

Title: Vice Chairman

Date: September 25, 2002

Date: September 25, 2002



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

**POWER BUSINESS LINE
Trader and Scheduling Phones**

AUTHENTICATED

Date: October 24, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 795-9715

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
PS/RT (425) 468-1792 (PRM)
FAX:

Chuck Forman (503) 230-3432
Mark Miller (503) 230-4003
Scott Wilson (503) 230-7638
Harry Clark (503) 230-3662
BPA Trading Floor Fax (503) 230-7463
BPA Preschedule Fax (503) 230-3039
BPA SW Preschedule (503) 230-3915
BPA NW Preschedule (503) 230-3813
BPA S. Idaho Presch. (503) 230-4311
BPA Real Time (503) 230-3341
or 230-4194

DSI LIQUIDATED DAMAGES AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 10/24/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 03PB-11245

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency:				
Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
11/1/02 – 11/30/02	278	HLH	278	115,648
11/1/02 – 11/30/02	278	LLH	278	84,512

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed, any damages, within 60-days after the end of the Contract Year.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK E. MILLER

/S/ JOHN L. KOLLENG

Mark Miller

Name: John L. Kolleng

Account Executive

Title: Vice Chairman

Date: October 25, 2002

Date: October 25, 2002



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

AUTHENTICATED

**POWER BUSINESS LINE
Trader and Scheduling Phones**

Date: November 19, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 795-9715

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
PS/RT (425) 468-1792 (PRM)
FAX:

Chuck Forman (503) 230-3432
Mark Miller (503) 230-4003
Scott Wilson (503) 230-7638
Harry Clark (503) 230-3662
BPA Trading Floor Fax (503) 230-7463
BPA Preschedule Fax (503) 230-3039
BPA SW Preschedule (503) 230-3915
BPA NW Preschedule (503) 230-3813
BPA S. Idaho Presch. (503) 230-4311
BPA Real Time (503) 230-3341
or 230-4194

DSI LIQUIDATED DAMAGES AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 11/19/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 03PB-11266

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency:

Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
12/1/02 – 12/30/02	278	HLH	278	115,648
12/1/02 – 12/30/02	278	LLH	278	91,184

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed, any damages, within 60-days after the end of the Contract Year.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK MILLER

/S/ JOHN L KOLLENG

Mark Miller

Name: John L. Kolleng

Account Executive

Title: Vice Chairman

Date: November 20, 2002

Date: November 22, 2002



Department of Energy
Bonneville Power
Administration
P.O. Box 3621
Portland, OR 97208-3621

AUTHENTICATED

**POWER BUSINESS LINE
Trader and Scheduling Phones**

Date: December 18, 2002
To: Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Attn: John Kolleng
Fax: (312) 795-9715

Presch: (425) 990-3494 (PRM)
Real Time: (425) 462-9517 (PRM)
PS/RT (425) 468-1792 (PRM)
FAX:

Chuck Forman (503) 230-3432
Mark Miller (503) 230-4003
Scott Wilson (503) 230-7638
Harry Clark (503) 230-3662
BPA Trading Floor Fax (503) 230-7463
BPA Preschedule Fax (503) 230-3039
BPA SW Preschedule (503) 230-3915
BPA NW Preschedule (503) 230-3813
BPA S. Idaho Presch. (503) 230-4311
BPA Real Time (503) 230-3341
or 230-4194

DSI LIQUIDATED DAMAGES AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 12/18/02 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)
BPA Contract: 03PB-11283

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment [Section 6(a)(2)(A)]

Purchase Deficiency:

Duration of Curtailment	Demand Limit	Hours	Amount (MWH/hr)	Total MWh
1/1/03 – 1/31/03	278	HLH	278	120,096
1/1/03 – 1/31/03	278	LLH	278	86,736
2/1/03 – 2/28/03	278	HLH	278	106,752
2/1/03 – 2/28/03	278	LLH	278	80,064
3/1/03 – 3/31/03	278	HLH	278	115,648
3/1/03 – 3/31/03	278	LLH	278	91,184

Damages shall be determined and assessed pursuant to section 6(a)(2)(A) [Option A] of the reference contract. At the end of the Contract Year LVA shall pay BPA damages equal to the amount by which the sum of the product of all Option A purchase deficiencies and the applicable IP-02 rate (CRAC, plus appropriate TAC) exceeds the sum of the product of the purchase deficiencies and the reasonable market value. LVA will be assessed damages, if any, within 60-days after the end of the Contract Year.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~HLHs are defined as HE 0700 – HE 2200, Monday through Saturday.

~LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays.

No Scheduling is required.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA, 503-230-7463.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

/S/ MARK MILLER

/S/ JOHN L. KOLLENG

Mark Miller

Name: John L. Kolleng

Account Executive

Title: Vice Chairman

Date: December 18, 2002

Date: December 19, 2002

Confirmation Draft

POWER BUSINESS LINE

Trader and Scheduling Phones

Date: May 29, 2001
 To: Longview Aluminum, LLC
 4900 First Avenue
 McCook, IL 60525-3294

Attn: John Kolleng
 Fax: 708-387-8919
 Phone: 708-387-8523

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
David Mills	(503) 230-7588
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341 or 230-4194

CURTAILMENT CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Longview Aluminum, LLC (LVA). Transactions hereunder are in accordance with reference contract or enabling agreement 01PB-10769.

Transaction Date: 5/29/01 **Traders:** Mark Miller (BPA) and John Kolleng (LVA)

BPA Contract: 01PB-
4201942020

Seller of Energy: Longview Aluminum, LLC
Buyer of Energy: BPA
Product: Curtailment
Point of Delivery: BPA's System

Start of Term	End of Term	Demand Limit	Hours	Curtailment Amount (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
4/1/02	4/30/02	96	ALL	96	69,024			
5/1/02	5/31/02	96	ALL	96	71,424			
6/1/02	6/30/02	96	ALL	96	69,120			
7/1/02	7/31/02	276	ALL	276	205,344			
8/1/02	8/31/02	276	ALL	276	205,344			
9/1/02	9/30/02	276	ALL	276	198,720			
10/1/02	10/31/02	276	ALL	276	205,620			
11/1/02	11/30/02	276	ALL	276	198,720			
12/1/02	12/31/02	276	ALL	276	205,344			
1/1/03	1/31/03	276	ALL	276	205,344			
2/1/03	2/28/03	276	ALL	276	185,472			
3/1/03	3/31/03	276	ALL	276	205,344			
4/1/03	4/30/03	276	ALL	276	198,444			
5/1/03	5/31/03	276	ALL	276	205,344			
6/1/03	6/30/03	276	ALL	276	198,720			

Draft

Draft

7/1/03	7/31/03	276	ALL	276	205,344
8/1/03	8/31/03	276	ALL	276	205,344
9/1/03	9/30/03	276	ALL	276	198,720

Energy Transaction Total:

\$

Additional Provisions

Block Power Sales Agreement No. 01PB-10769 has been amended to reflect the curtailment option specified in this Curtailment Confirmation Agreement.

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

~ All or FLH is defined as HE 0100 – HE 2400.

No scheduling required.

Billing

Billing and payment under this agreement shall be made consistent with and as a specific item in the Wholesale Power Bill.

Unless otherwise specified in this Agreement, all administrative and operational provisions required to perform this Agreement shall be those described in the reference contract, including provisions related to delivery, scheduling (if applicable), billing, payments, metering, access to facilities, dispute resolution, uncontrollable forces, continuity of services, and contract interpretation.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein. Any additional or different terms proposed are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED

Bonneville Power Administration

Longview Aluminum, LLC

Mark Miller

Name: _____

Account Executive

Title: _____

Date: _____

Date: _____

Insley, Gary C - PTS

From: Roadman, Val - PL
Sent: Wednesday, November 01, 2000 1:48 PM
To: Brost, Ed - PGC/Richland; Stier, Jeffrey K - KN-DC; Aho, Rodney - PSE; Anderson, Brenda S - PTF-5; Beede, C T - PSE/Missoula; Berwager, Syd - PS-6; Bloyer, Dan - PSE; Burns, Allen - PS-6; Clarke Jr, Stuart - PSW/Seattle; Elizalde, John - PSW-6; Fitzsimmons, David - PSW; Forman, Charles W - PSW-6; Hustad, Kenneth H - PSE/Spokane; Insley, Gary - PTS-5; Itami, Rick - PSE/Spokane; King, Larry D - PSE/BURLEY; Kitchen, Larry - PT-5; Lamb, William D - PTF-5; Le, Nga (Dan) - PTF-5; Leathley, Kimberly - PTP-5; Lebens, John - PSW; Linn, Young S - PTF-5; Miller, Mark - PT-5; Mills, David - PTF-5; Norman, Paul - P; Oliver, Stephen - PT-5; O'Neal, Paul J - PSW; Pyrch, Karen S Graves - PSW-6; Reich, George T - PSW/Seattle; Rettenmund, Frederic D-PSE/Spk; Schimmels, Nancy M-PSE/Spokane; Tetnowski, Sonya M - PSE-6; Thompson, Garry R -PSE/Spokane; Von Muller, Tom H - PL/Spokane; Watts, Kirsten - PSW/Seattle; Wilson, Scott - PT-6; Wykoff, Angela M - PSW-6; Custer, Cindy J - KR/WSGL; Evans, Bart - KR-7C; Hunt, Karen - KR-7; Hustad, Carol S - KR/Spokane; Kuntz, Gail K - KR/MSGL; McFarland, Michael - KR-7C; Morgado, Nicole K. - KN; Reller, Mark D - KR/MSGL; Stewart, Kyra M - KR/Seattle; Swedo, Robert L - KR/Spokane; Taves, John - KR-7C; Williams, John J - KR/BOISE; Eastman, Darrell - KT-7; Shank, Bob - KT/Spokane; Smith, John A - KT/Spokane; Tawney, Patricia - KT
Cc: Wright, Stephen J - K-7; McElhaney, Judy - D-7; Delwiche, Gregory K - PG-5; Newton, Tiffany - PG; Cherry, Diane - PSP; Keep, Barney - PSP; Arrington, ZoeAnne - PM-6; Jones, Cynthia L - PSP-5; Bleifuss, Edward L - PMM-5; Moorman, Geoffrey - PM-6; Hansen, Michael - KC; Mahar, Dulcy - KC-7; Moore, Hugh A - KC-7; Mosey, Edward - KC-7; Ball, Crystal A. - KN-DC; Seifert, Roger - KN; Carlson, Debbie - PGC/Richland; Latham, Dale - PS; Baker, Lynn W - KC-7; Pyrch, John - PN-1; Borne, Suzanne L - PT-5; Cage, Candace - PSW-6; Conley, Mick E - PSE/Missoula; Copeland, Dorothy - PSW-6; Ervast, Yolanda S - PSE/Bend; Hyzer, Patricia - PL-6; Jee, Rose - PSW; Larson, Cheryl - P; Montague, Kay - CCD/Idaho Falls; Moore, Lisa - PSE/Spokane; Palmer, Linda L - PS-6; Phelps, Jessi L - PL/Spokane; Polenske, Judy - PSW/Seattle; Uhrich, Judy A - PSE/BURLEY; Wilson, Sarah J - PTS-5; Eads, Donna L - KR-7C; Hage, Bonnie - KR-7; James, Lorena A - KR/Helena; Jones, Sheron - KN; Welch, Sheryl D - KR/7C; Shelton, Valerie M - KR/SPOKAN; Adler, David J - LP-7; Burger, Peter J - LP-7; Casad, Kurt R - LP-7; Hull Gerit F - LP; Johnson, Tim A - LP-7; Miller, Thomas D - LP-7; Runzler, Kurt W - LP-7; Van Buren, Marybeth - LP; Westenberg, Sarah A - LP; Wright, Jon D - LP-7; Cheney, Katherine A. - PL-6; DeKlyen, Tom - PL; Dowty, Phyllis M - PL; Roehm, Jenny L - PL; Whitney, Carolyn A - PL
Subject: RE: McCook Metals Talking Points/Contact List

Please read the attached internal talking points and contact list to determine what kind of outreach you should do regarding discussions between BPA and McCook Metals of Illinois. John Elizalde and Carolyn Whitney briefed some of you on this at yesterday's cross-hub call.

For now, use only information described in these talking points for outside discussions. There will be no press release at this time. The idea is to have this information in the hands of our people on the front line to answer questions and bring up as they see fit. We are not in a real proactive mode here. This deal could still fall apart. BPA will meet with McCook Metals the week of Nov. 6 to continue to explore this idea. BPA intends to share information about this conceptual approach with the region as it becomes available. More to come after next week's meeting.



McCook_TP_4i.doc

= 10/31/00 Internal Talking Points on McCook and BPA Consider Potential Solutions



ReleasePlan_McCook.doc

= Contact List

-----Original Message-----

From: Roadman, Val - PL
Sent: Tuesday, October 31, 2000 1:24 PM
Subject: McCook Metals

This note is a follow up to the McCook Metals briefing John Elizalde and Carolyn Whitney gave some of you at this morning's cross-hub call. It's taking a little longer to obtain approval on the talking points so per Carolyn Whitney, DO NOT TALK ABOUT THIS OUTSIDE BPA UNTIL YOU GET THE TALKING POINTS AND CONTACT LIST TOMORROW. For those not on this morning's call, below is a little background information.

Background

McCook Metals of Illinois has developed a process for producing an aluminum alloy that can be welded. This product has a potentially substantial application in aircraft manufacturing as it would do a way with the need to use rivets in aircraft construction. McCook would like to locate its production facility for this new alloy in the Northwest closer to major aircraft construction centers in Washington state and California. McCook Metals and BPA are discussing a conceptual approach for a power exchange between BPA and McCook that would help McCook secure financial backing so it could purchase Alcoa's Longview aluminum plant, modernize it and keep it operating competitively in the world market. This approach is intended to provide McCook with a stable power supply for a portion of its Longview load for a 10-year period, but end sales of industrial firm (IP) power to the Longview plant after September 30, 2006.

INTERNAL USE ONLY

McCook and BPA Consider Potential Solutions

BPA Talking Points

October 31, 2000

These talking points provide background and general information about discussions between BPA and McCook Metals of Illinois regarding a conceptual approach for keeping the Longview aluminum smelter, currently owned and operated by Alcoa, economically viable. For more information, contact Mark Miller at (503) 230-4003.

Background

McCook Metals of Illinois has developed a process for producing an aluminum alloy that can be welded. This product has a potentially substantial application in aircraft manufacturing as it would do a way with the need to use rivets in aircraft construction. McCook would like to locate its production facility for this new alloy in the Northwest closer to major aircraft construction centers in Washington state and California. McCook Metals and BPA are discussing a conceptual approach for a power exchange between BPA and McCook that would help McCook secure financial backing so it could purchase Alcoa's Longview aluminum plant, modernize it and keep it operating competitively in the world market. This approach is intended to provide McCook with a stable power supply for a portion of its Longview load for a 10-year period, but end sales of industrial firm (IP) power to the Longview plant after September 30, 2006.

Messages

- There is no deal yet. BPA and McCook are in preliminary discussions to see if they can agree on a conceptual approach that would allow McCook to secure favorable financing to purchase and modernize Alcoa's Longview plant.
- BPA is interested in exploring creative solutions with the direct service industries that would help preserve jobs for Northwest aluminum workers without increasing costs to other BPA customers.
- Under all circumstances BPA's obligation to deliver exchange energy to McCook in the 2006-2011 period will be contingent on McCook either delivering power from its combustion turbine plant to BPA, or reducing its industrial firm power take on BPA in the 2002-2006 rate period.
- BPA and McCook are discussing a concept in which McCook would offer BPA the output from a new generation resource in the 2004-2006 timeframe in exchange for an equivalent amount of power in later years thus potentially reducing BPA's system augmentation costs in the upcoming rate period.
- If successful, this approach could introduce a new paradigm to the region which would eventually move DSI loads off of the federal system.

INTERNAL USE ONLY

- BPA is committed to keep the region informed about these discussions. We will share information through our CAEs, AEs, liaisons and other personal contacts.

Questions and answers

1. In general terms, what kind of an approach is McCook considering?

McCook Metals is interested in purchasing Alcoa Aluminum's Longview aluminum smelter, installing innovative technology to modernize it and produce special aluminum alloy products. A major thrust of McCook's plan is the introduction of state-of-the-art technology both in improved and more efficient production processes as well as in the end product. In order to obtain favorable financing to purchase the Longview plant from Alcoa, McCook has indicated it needs to secure a stable power supply for the plant for a 10-year period. It has approached BPA to see if an arrangement can be worked out that would help preserve Northwest jobs without increasing costs to other BPA customers.

2. How can BPA support McCook's proposal without making a long-term commitment to continue to supply power to the Longview plant?

The proposal, as outlined by McCook, would be a firm power exchange agreement, in which McCook would supply energy to the federal system in the 2004-2006 timeframe from a combustion turbine plant it would build in return for energy from BPA over the 2006-2011 period. The idea is that this would assure McCook of a stable supply of power that it needs to secure financing with no net increase in BPA's overall system load. Once McCook's plant was established it would be in a position to serve its regional loads from its own resources thus freeing up federal resources for other purposes.

3. How might this possibly benefit the Northwest?

BPA perceives the approach as a potential benefit to the Northwest because it could help preserve jobs for some of the region's aluminum workers and result in a large supply of power being delivered to BPA in the 2004-2006 period, when the region is energy deficit. Another benefit to the Northwest is to permanently end 280 megawatts of industrial firm power sales by BPA to the Longview plant on September 30, 2006. The net result would be to provide 280 megawatts more cost-based federal power for use by other Northwest energy consumers.

4. Is the Northwest congressional delegation aware of this proposal?

We received a letter from senators Gorton, Murray, Smith and Wyden expressing tacit support for McCook's approach as long as the project does not impact other customers. Others may not be aware of the project yet. We are in the process of informing them now.

INTERNAL USE ONLY

5. What happens next?

BPA, its customers and constituents, along with representatives of McCook Metals will continue to explore the ramifications of the proposal in the context of the findings, yet to be announced, of the study of the Northwest aluminum industry and BPA's overall strategy for augmenting it's power supply.

6. How can I stay informed about the ongoing discussions between BPA and McCook Metals?

BPA will meet with McCook executives the week of Nov. 6 to continue to explore this idea. BPA intends to share information about this conceptual approach with the region as it becomes available. For more information, contact Carolyn Whitney at (503) 230-5882.

moore:hm:5811:10/31/00 (H:-KC-H:My Documents\PWRSales\DSIs\McCook_TP_4.doc)

McCook Metals Project Contact List

Background: McCook Metals of Illinois has developed a process for producing an aluminum alloy that can be welded. This product has a potentially substantial application in aircraft manufacturing, as it would do a way with the need to use rivets in aircraft construction. McCook would like to locate its production facility for this new alloy in the Northwest closer to major aircraft construction centers in Washington State and California. McCook Metals and BPA are discussing a conceptual approach for a power exchange between BPA and McCook that would help McCook secure financial backing so it could purchase Alcoa's Longview aluminum plant, modernize it and keep it operating competitively in the world market. This approach is intended to provide McCook with a stable power supply for a portion of its Longview load for a 10-year period, but end sales of industrial firm (IP) power to the Longview plant after September 30, 2006. BPA will continue these discussions as long as BPA's involvement or BPA's ability to fund fish projects has no cost impact on other BPA customers and if it transitions the plant off the BPA system.

Organization		BPA Contact
Northwest Aluminum Industry Study Team		Paul Norman
D.C. Contacts		
R. Glick		Jeff Stier
Delegation Members		Jeff Stier
Washington State Contacts		
Howard Schwartz		Cindy Custer
Energy Northwest		Ed Brost
Jerry Leone - PPC		Allen Burns
Dave Piper - PNGC		Allen Burns/John Elizalde
Public Utilities/DSIs/IOUs		AEs
Tribal Contacts		
Yakama Indian Nation		Sonya Tetnowski
ATNI Energy Coordinator		Sonya Tetnowski
NWPPC		
John Etchart and Stan Grace, NWPPC Montana		Karen Hunt
Todd Maddock and Mike Field, NWPPC Idaho		Karen Hunt
Tom Karier and Larry Cassidy, NWPPC Washington		Karen Hunt
Eric Bloch, NWPPC Oregon		Karen Hunt
Dick Watson, NWPPC		Karen Hunt
Public Interest Groups		
Steve Weiss		John Taves
Sara Patton		John Taves
Denny Robinson Coe Hutchison John Saven Walt Pollock Jim Miller Tim Stearns Sara Patton	Jack Speer Peter Forsyth John Savage Dave Warren Al Link Gaylan Prescott	D. R. Michel Ken Canon Dick Adams John Etchart Todd Maddock

Updated Talking Points:
Remarketing Approach for the Direct Service Industries
November 21, 2000

Background

In order to help preserve Northwest jobs, BPA offered to sell approximately 1500 average megawatts of power to the Direct Service Industries (DSIs) in the next rate period (2002-2006) at a price (for flat, undelivered power) of \$23.50 per megawatt hour (MWh). Since that agreement was reached, wholesale electricity prices have increased dramatically, and approximately one-third of the production capability of the Northwest aluminum industry has shut down. Many DSIs are now asserting that they need access to more cost-based power in order to stay profitable and keep the plants open.

BPA is now in the process of modifying its 2002-2006 proposed power rates, focusing on the cost recovery adjustment clause (CRAC) and its application. This action was necessary to ensure a high probability of BPA making its annual payment to the U.S. Treasury in the face of increasing market power prices and BPA's growing load obligations.

BPA's proposed load-based CRAC would result in a 15 percent rate increase – or a delivered price of approximately \$29.00 – for the DSIs. The DSIs have said that this rate increase would shut the industry down. BPA is offering a remarketing approach to the DSIs to help mitigate the CRAC price. This would result in fewer MWs but a lower effective price. This approach would not adversely impact other customers and would help to partially preserve DSI jobs in the region.

Messages

- BPA has already made a decision to serve the DSIs in the next rate period. The amount of power BPA has offered to sell to them is less than half of the power the DSIs collectively need to operate at full capacity.
- Even the limited benefit that is provided under this remarketing approach will require further reductions in DSI operations.
- The remarketing approach will help the DSIs maintain production in the Pacific Northwest during CRAC periods, albeit at lower levels of production, with no additional costs to other BPA consumers.
- The remarketing approach preserves BPA's financial integrity by ensuring the DSIs fully meet their financial obligations to BPA.
- BPA is concerned about preserving Pacific Northwest jobs. We are very sensitive to the importance of low-cost power to the preservation of DSI jobs and the DSIs' impact on local economies during the 2002-2006 rate period.

Questions and Answers

1. How would the remarketing approach work?

The DSI would voluntarily curtail a portion of their load. This frees up power that BPA can then remarket or, alternatively, reduce its load obligations and purchase power requirements. If BPA remarkets the power, uses a portion of the benefits to offset the CRAC portion of the price the DSI is paying for power to serve its remaining load. If BPA's remarketing revenues exceed the amount needed to offset the DSI's CRAC, BPA keeps those revenues and applies them toward its costs. This helps keep rates lower for all customers. If remarketing revenues are not sufficient to offset the DSI's CRAC obligation, then the DSI is obligated to pay BPA the difference.

In the example attached, the DSI is purchasing 150 MW from BPA at \$23.50/MWh. BPA receives a total of \$3,525/MWhr from the sale. With the CRAC, this DSI's rate increases to \$27/MWh (undelivered) and BPA realizes a total price of \$4,050/hr on the total sale.

In this example, the DSI curtails 50 MW of its load, and BPA remarkets that 50 MW. In order to offset the DSI's CRAC rate to the underlying industrial firm (IP-02) power rate (\$23.50/MWh), BPA must realize at least \$1,700 from the remarketing. (This is the difference between \$4,050 – BPA's total revenue with the CRAC – and \$2,350, or the amount that BPA will collect on the remaining 100 MW without the CRAC.) In this example, BPA remarkets the power at \$40/MWh, receiving \$2,000. (BPA's actual earnings will depend on market prices.) The DSI receives 100 MW of power and pays \$2,700, but also receives an offset for the remarketing equal to \$350. Thus, the DSI's effective price is \$23.50/MWh. BPA receives a net of \$2,350 from the DSI and \$2,000 from the remarketed power. Thus, BPA receives \$4,350 – an increase of \$300 over the total revenue with the CRAC.

2. Can the DSIs curtail at any time and at any market price?

The DSIs can curtail at any time, but the contract requires them to give advance notice before they curtail and to specify the amount and duration of the curtailment. BPA and the DSI can agree up-front on a market price to use for the remarketing credit, based on a transactable quote from a third party. That price will be locked in for the duration of the curtailment. Alternatively, the DSI can choose to "true up" after the fact based on actual daily and monthly market prices. If the market price is below the price that the DSI owes BPA, the DSI reimburses BPA for the difference.

3. If the DSI survivability study isn't even complete, why is BPA rushing to solve a problem that may not even exist?

Initial analysis from the DSI survivability study is strongly indicating that the DSIs are in jeopardy. The fact that a large amount of DSI load has already had to shut down

certainly substantiates that. Some action needs to be taken now that will improve the likelihood that the DSIs can remain viable at some minimal level of operation over the next five years. Meanwhile, the region can continue to look for the best long-term solution. Once complete, the DSI study will certainly provide important information regarding the impact of DSI plant closures on the local and regional economy and what, if anything, should be done to help the DSIs.

The Aluminum Study Team is developing a list of potential criteria that BPA would use in determining whether or not to help the aluminum companies. The Study Team as a group has not endorsed all the criteria, but BPA believes they are a good start. We will review them as we make decisions on various initiatives for BPA assistance to the DSIs.

4. Wouldn't other customers be better off if BPA just raised the rates to the DSIs via the CRAC and let the DSIs go out of business (i.e., not offer the remarketing approach)?

BPA has already decided to offer 1500 MW to the DSIs in the next rate period, and we have signed contracts with them obligating us to serve them with that amount. It is important to note that BPA is not planning to go back and revise any of the base rates or the load forecasts in the amended case but only to revise the CRAC.

5. Why is this special remarketing provision being offered only to the DSI aluminum companies?

BPA does not plan to make across-the-board changes to subscription contracts with this provision. However, any customer is free to advance similar mutually beneficial proposals to their Account Executive for voluntary partial load curtailment that preserves jobs and also provides for sharing any credit from BPA's remarketing of the power.

The DSIs are in a more difficult situation than the industrial customers of BPA's public customers. The DSIs are receiving only about half of their power needs from BPA, at a rate that is almost 4 mills higher than the priority firm rate that industrial customers of public utilities receive. Administering a remarketing provision to the industrial customers of BPA's public customers would also be extremely difficult. The industrial customer would need to be separately metered by BPA. BPA would also need to be able to verify that load was being curtailed due to economics and not due to other factors and that the curtailment did indeed prevent a total shutdown and therefore preserved jobs.

Other customers do have some options for remarketing. Public customers can sign up their industrial customers for the Demand Exchange and receive a credit from BPA for curtailing operations during high prices and/or system emergencies. At least one investor owned utility has initiated discussions with BPA to convert its subscription settlement power into a strictly financial arrangement. Many of BPA's public customers have signed up for the Slice of the System product, which enables them to enter into similar arrangements with their industrial customers. If an industrial customer of a Slice

purchaser shuts down and the utility remarkets the power, the Slice customer still receives the same amount of power from BPA.

6. Doesn't this provide an incentive for the DSIs to shut down their operations for a profit, and adversely affect the workers?

Actually, absent this remarketing right, there is a good chance that smelters would have to close totally. With the remarketing provision, some smelters will be able to take a small cut in production and still stay viable.

It should also be noted that in the new subscription contracts, the DSIs do not have the ability to receive direct financial benefits when the market price for power exceeds the price BPA is charging them for the power. This remarketing approach would be the sole, limited exception to this no benefit policy. The current contracts, which expire in September of this year, restrict the DSIs' using of any remarketing benefits to specific costs related to partial shutdowns – including mitigating the impact on displaced employees. If a DSI uses the benefits for other purposes, it will suffer a reduction in the amount of subscription power BPA will sell them in the next rate period.

7. Why do the DSIs get to benefit from the increase in wholesale market prices when BPA is still offering the investor owned utilities only \$34/MWh on the benefits portion of BPA's CRAC proposal for the IOUs?

The DSIs are not reaping a benefit from high wholesale market prices with the remarketing approach. Any difference between the price the DSI owes BPA and the market will go to BPA and BPA will use it to offset costs to other customers.

8. Is BPA receiving any direction or input from the Northwest (NW) Congressional delegation and the Department of Energy (DOE) on this decision?

The remarketing approach was developed collaboratively between BPA and DSI representatives; it was not designed or dictated by DOE or NW Congressional members. DOE and the NW delegation continue to be very concerned about the increasingly dismal future of the NW aluminum industry and the impact on jobs and the economy, but they are leaving decisions to the BPA Administrator. Recently, four U.S. Senators from Oregon and Washington wrote to the BPA Administrator urging that BPA work with McCook Metals to preserve jobs at the Longview smelter. DOE officials have also urged BPA to look for creative solutions that preserve jobs, while avoiding adverse impacts on other customers.

9. What is the relationship between this remarketing approach and BPA's Demand Exchange Program?

Demand Exchange is a tool for BPA to solicit temporary load curtailment during periods of power system instability and high market prices. End use consumers or DSIs that have large interruptible loads can turn off large power-using equipment and/or run a back-up

generator when BPA initiates a request for load curtailment. Pricing will be day-ahead and two-day ahead. Under the remarketing approach, on the other hand, DSIs will have to shut down pot lines in order to achieve a longer duration of curtailments.

10. Will there be a chance for other customers or the public to comment on the remarketing approach?

The remarketing approach will take the form of an amendment to the DSI subscription contracts. There will be an opportunity for customers and others to give BPA input on the specific contract provision and whether it correctly implements the goals we are trying to achieve. The remarketing provision will not be part of the pending rate case because it does not change the DSIs' obligation to, in all cases, pay BPA the IP-02 rate plus any applicable CRAC charges.

Miller, Mark E - PT

From: Scaramuzzo, Rosemarie [Rosemarie.Scaramuzzo@MCCookMETALS.com]
Sent: Friday, January 19, 2001 10:30 AM
To: 'memiller@bpa.gov'
Importance: High



Stephen Wright.doc

We're ready to send this. Please approve.

Please call John Kolleng at (312) 953-8690. Thank you.

<<Stephen Wright.doc>>

January 19, 2001

Mr. Stephen J. Wright
Acting Administrator
Bonneville Power Administration
905 N.E. 11th Avenue
Portland, OR 97232

Dear Mr. Wright:

As you know, Aluminum Company, LLC (Longview Aluminum) and the Bonneville Power Administration (BPA) have executed a Curtailment Agreement pursuant to which Longview Aluminum, the Pacific Northwest steelworkers employed at the Longview Smelter, and BPA will share in the benefits created from the curtailment of power by Longview Aluminum at the Longview smelter through March 31, 2002.

As we indicated many times during our negotiations regarding the Curtailment Agreement, Longview Aluminum firmly believes that the long-term viability of the Longview smelter hinges on Longview Aluminum's ability to successfully finance, construct, and operate our own power supply resources. The Curtailment Agreement is but one step toward making our goal of the energy independence a reality. We believe our commitment to this goal is reflected in our pledge in the Curtailment Agreement not to argue in any legal or political forum that Longview Aluminum has a statutory right to, or should be allocated, any direct or indirect service of Federal power after September 30, 2006. We understand that Longview Aluminum's commitment to forego Federal power service after September 30, 2006 is important to other Pacific Northwest customers of BPA. In addition to our pledge in the Curtailment Agreement, Longview Aluminum stands ready to support legislation prohibiting BPA from serving, directly or indirectly, the Longview smelter or any other Pacific Northwest load of Longview Aluminum after September 30, 2006.

Sincerely,

John L. Kolleng
Vice Chairman & General Counsel

JLK/rs

Miller, Mark E - PT

From: Moirano, Nicole A. [Nicole.Moirano@MCCookMETALS.com]
Sent: Friday, February 23, 2001 1:39 PM
To: 'memiller@bpa.gov'
Cc: Babirak, John M
Subject: Longview Aluminum Monthly Payment Streams

Sensitivity: Confidential



Payment Summary
022301.xls

Mark,

As promised, attached is the monthly payment stream for Longview Aluminum.

Please let me know if you have any questions.

Regards,
Nicole

Nicole A. Moirano
Sr. Acquisitions Analyst
Michigan Avenue Partners/McCook Metals, L.L.C.
4900 First Avenue
McCook, IL 60525
nicole.moirano@mccookmetals.com <mailto:nicole.moirano@mccookmetals.com>
(708) 387-8325 Phone
(708) 387-8259 Fax

Longview Aluminum, LLC
Union Payment Summary
(in thousands)

	Union Payments		Company Account	Debt Service	Remaining Cash	Total
	\$	-	\$	-	\$	\$
2001						
20-Jan						-
20-Feb						-
20-Mar	3,800.000		4,097.500	9,102.500	-	17,000.000
20-Apr	1,750.000		1,447.500	16,254.880	-	19,452.380
21-May	* 1,750.000		1,447.500	18,671.547	-	21,869.047
20-Jun	1,666.667		2,530.833	17,671.547	-	21,869.047
20-Jul	1,750.000		1,447.500	18,671.547	-	21,869.047
20-Aug	1,750.000		1,447.500	18,671.547	-	21,869.047
20-Sep	1,666.667		2,530.833	17,671.547	-	21,869.047
22-Oct	* 3,100.000		1,447.500	17,321.547	-	21,869.047
20-Nov	3,100.000		1,447.500	10,035.833	-	14,583.333
20-Dec	3,016.667		2,530.833	9,035.833	-	14,583.333
Subtotal	23,350.000		20,375.000	153,108.328	-	196,833.328
2002						
21-Jan	* 3,200.000		1,447.500	9,935.833	-	14,583.333
20-Feb	3,200.000		1,447.500	4,061.392	5,874.447	14,583.339
Subtotal	6,400.000		2,895.000	13,997.225	5,874.447	29,166.672
Total	\$ 29,750.000	\$	23,270.000	\$ 167,105.553	\$ 5,874.447	\$ 226,000.000

Notes:

* Since the 20th of the month falls on a weekend, payment will be made the following Monday.

Miller, Mark E - PT

From: lou locke [lou.locke@longviewaluminum.com]
Sent: Friday, February 23, 2001 3:32 PM
To: 'Miller, Mark - PT-5'
Subject: RE: Power Requirement for March 2004

I will provide you with our estimate 7 working days prior to the end of the month. I believe it will be about the same through May.

Louis G. Locke, Jr.
Plant Manager
Longview Aluminum LLC
360.636.8204

-----Original Message-----

From: Miller, Mark - PT-5 [mailto:memiller@bpa.gov]
Sent: Monday, February 23, 2004 3:12 PM
To: Locke, Lou
Cc: Clark, Harry W - PTS-5; Runzler, Kurt W - LP-7
Subject: RE: Power Requirement for March 2004

Thank you for your March MW estimate. I believe what you mean is 2 MW (megawatts), not MEW's.

As it turns out, the agreement doesn't stipulate how many days prior to the end of the month you need to provide your estimate of power needs for the upcoming month.

The agreement does stipulate that prepayment needs to be received by BPA 2 business days prior to the end of the month. The Trustee needs a dollar estimate from BPA in order to prepay. Without knowing how long it take for the trustee to cut a check for BPA, could you provide your monthly MW estimate to me seven business days prior to the end of the month so that BPA can get the prepay amount out to the Trustee so he can make his prepayment?

> -----Original Message-----

> **From:** lou locke [mailto:lou.locke@longviewaluminum.com]
> **Sent:** Friday, February 23, 2001 2:37 PM
> **To:** Mark Miller
> **Cc:** Rohwedder, Mark
> **Subject:** Power Requirement for March 2004

>

> Mark,

>

> Our estimated demand for power for March, 2004 is 2 MEW's. If you
> need any further information please let me know.

>

> Louis G. Locke, Jr.
> Plant Manager
> Longview Aluminum LLC
> 360.636.8204
> 360.749.1652 Cell

Miller, Mark E - PT

From: Babirak, John M [John.Babirak@MCCookMETALS.com]
Sent: Monday, February 26, 2001 8:38 AM
To: 'memiller@bpa.gov'
Cc: 'jsmith@pattonboggs.com'; Moirano, Nicole A.
Subject: Payments Schedule



BPA Pymt Schedule
Exact 022601...

Mark -

To the extent it is helpful, I've updated our previous payment schedule to reflect EXACT whole dollars. As you'll notice, I've made the schedule balance by making the union payment \$1.00 less in Dec '01 and the company payment \$1.00 more in the same month.

John

<<BPA Pymt Schedule Exact 022601.xls>>

John Babirak
Michigan Avenue Partners / McCook Metals, L.L.C.
4900 South First Avenue
McCook, IL 60525-3294
(708) 387-8561
(708) 387-8259 - fax
john.babirak@mccookmetals.com <mailto:john.babirak@mccookmetals.com>

Longview Aluminum, LLC
Union Payment Summary

	Union Payments		Company Account	Debt Service	Remaining Cash	Total
	\$	-	\$	\$	-	\$
2001						
20-Jan						
20-Feb						
20-Mar	3,800,000		4,097,500	9,102,500		\$ 17,000,000
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20-Jun	1,666,667		2,530,833	17,671,547		\$ 21,869,047
20-Jul	1,750,000		1,447,500	18,671,547		\$ 21,869,047
20-Aug	1,750,000		1,447,500	18,671,547		\$ 21,869,047
20-Sep	1,666,667		2,530,833	17,671,547		\$ 21,869,047
22-Oct	3,100,000	*	1,447,500	17,321,547		\$ 21,869,047
20-Nov	3,100,000		1,447,500	10,035,833		\$ 14,583,333
20-Dec	3,016,666		2,530,834	9,035,833		\$ 14,583,333
Subtotal	\$ 23,350,000		\$ 20,375,000	\$ 153,108,328	\$ -	\$ 196,833,328
2002						
21-Jan	3,200,000		1,447,500	9,935,833		\$ 14,583,333
20-Feb	3,200,000		1,447,500	4,061,392	5,874,447	\$ 14,583,339
Subtotal	\$ 6,400,000		\$ 2,895,000	\$ 13,997,225	\$ 5,874,447	\$ 29,166,672
Total	\$ 29,750,000		\$ 23,270,000	\$ 167,105,553	\$ 5,874,447	\$ 226,000,000

Notes:

* Since the 20th of the month falls on a weekend, payment will be made the following Monday.



Bonneville Power Administration

PR 13 01

FOR IMMEDIATE RELEASE:

WEDNESDAY, Feb. 28, 2001

*CONTACT: Mike Hansen, (503) 230-4328 or
ED Mosey, (503) 230-5359*

MEDIA ADVISORY

BPA and McCook Metals sign long-term agreement: details Thursday

PORTLAND, Ore. – BPA and McCook Metals have signed an agreement intended to ensure the long-term viability of the Longview aluminum smelter, benefit Northwest ratepayers served by the BPA and help save much needed water for fish.

What: BPA and McCook Metals Group from Chicago are announcing an agreement that will include the McCook Metal's purchase of the Longview aluminum smelter from Alcoa.

Who: Steve Wright, BPA Acting Administrator
Michael Lynch, Chairman of McCook Metals Group
Dave Foster, United Steel Workers of America

When: Thursday, March 1, 11 a.m. PST

Where: Room 122, BPA Headquarters Building, 905 N.E. 11 St., Portland OR
There will be a phone hook up for those who cannot attend in person. To dial into the phone bridge, dial 503-230-3344. Wait for the double beep, then enter 7317.

Why: This innovative agreement secures a future for the Longview aluminum smelter.

###

Bonneville Power Administration
Communications
905 N.E. 11th Avenue
Portland, OR 97232

Mailing Address:
Bonneville Power Administration
Media Relations - KC
P.O. Box 3621
Portland, OR 97208-3621
<http://www.bpa.gov>

Telephone:
(503) 230-5131
Fax:
(503) 230-5884

Insley, Gary C - PTS

From: Hyman, Aretha A - KC-7
Sent: Thursday, March 01, 2001 1:46 PM
To: BALL, CRYSTAL; CHATFIELD, KYRA; CHENEY, KATHERINE; CUSTER, Cindy; EADS, DONNA; EASTMAN, Darrell; EVANS, BARTON; EVANS, PHYLLIS; HUNT, KAREN; HUSTAD, CAROL; JONES, SHERON; KUNTZ, Gail; MARLOWE, William; MORGADO, NICOLE; MORROW, ANNE; RELLER, Mark; SEIFERT, ROGER; SMITH, JOHN; STIER, JEFFREY; SWEDO, ROBERT; TAVES, JOHN; TAWNEY, PATRICIA; WELCH, Sheryl; WILLIAMS, JOHN; WRIGHT, STEPHEN; ALVAREZ, LUIS; BARNES, ANNETTE; BEALE, KATHERINE; BLANKENSHIP, DARCY; BROCK, MICHAEL; BUSKUHL, CARL; BYRNES, DAVID; CARBONARI, DONALD; COILA, RICHARD; COOPER, SUZANNE; DALEY, DANIEL; DEHERRERA, JOE; DEKLYEN, THOMAS; DOCHERTY, DEBORAH; FARROW, William; FOELLER, THOMAS; GEISELMAN, JAMES; Golemon, Paula E - TFPG; GOODWIN, HELEN; Hawkins, Don L - TFS/Kalispell; HOLDEN, PATRICIA; HOLMSTROM, JOHN; HONG, CHIOU; HOUSE, KATHYRN; HUTSON, NOEL; JACKSON, MELANIE; KING, NELSON; KINTZ, KELLY; KIRKMAN, KENNETH; KREIPE, MIKE; KRONICK, GEOFFREY; KUEHN, VIRGINIA; KYLE, DEBRA; LANDAUER, MARVIN; LINDSAY, Joyce; LIPETSKAYA, DINA; MASLEN, WILLIAM; McMahon, Daniel W - TC; MONTGOMERY, DOUGLAS; ODAM, PAMELA; OLSGAARD, BETTY; OSTER, DENNIS; PATTON, JOYCE; PELKEY, JANICE; PIERCE, KATHERINE; POE, PATRICK; ROADMAN, VALERIE; ROBERTS, MARK; RODEWALD, RONALD; ROEHM, JENNY; RUGER, ALAN; RUNZLER, KURT; SCOTT, Byron; SIMPSON, DENISE; SIVYER, ROLLIE; SKIDMORE, JOHN; STICKLER, L; SWEET, RODNEY; Van Buren, Joseph J - TFPB; WARD, KEVIN; Williams, John J - AR; WOLFE, DONALD; ZIMMER, PAT; BAKER, LYNN; BALLA, E.; HANSEN, MICHAEL; HANSEN, PAUL; HAUSER, KAREN; HYMAN, ARETHA; LARSON, CHERI; LEONARD, KATIE; MAHAR, DULCY; MOORE, HUGH; MOSEY, EDWARD; ODGAARD, JOHN; O'SULLIVAN, TARO; STENEHJEM, CARLENE; TEMPLETON, IAN; THOMAS, DAVID; ADAMS, DONALD; ALBRO, ORION; ALEXANDER, GORDON; ANDERSON, DAVID; ANDERSON, JAMES; ANDERSON, LOREN; ANDERSON, ROBERT; ANKER, SUZANNE; ARMSTRONG, David; ARMSTRONG, DEBORAH; ASHTON JR, ARDIS; AUSTIN, Robert; BAKER, John; BANKER, WALTER; BANKS, JILL; BARNHART, KENNETH; BARSNESS, MELVIN; BAUGHER, JOHN; BECK, ROBERT; BECKER, RICHARD; BECKETT, GODFREY; BEER, J; BELL, MICHAEL; BENNETT, RUTH; BERAUD, ROBERT; BERGLUND, KENNETH; BIRCHMAN, GEORGE; BLANKENSHIP, THOMAS; BLEIFUSS, EDWARD; BOND, MARK; BORROWS, Michael; BOURBON, S; BRAEGGER, VICTOR; BRAMALL, KENNETH; BRANDERHORST, TOM; BREIMON, TIMOTHY; BROST, EDWARD; BRYANT, FRED; BURBACH, GREGORY; BURGESS, JAMES; CADE, JOSEPH; CALDWELL, GARY; CALDWELL, MICHAEL; CARMAN, KEVIN; CARTER, GLORIA; CASTOLDI, RICHARD; CESARIO, LEANNE; CHABOT, DENNIS; CHRISTMAS III, NICK; CHURCH, LOUIS; COE, SCOTT; COLEMAN, DEBRA; CONN, TRUMAN; CONNERS, MICHAEL; COOK, JAMES; COULOMBE, DALE; COURTS, ALAN; COWGER, JOHN; CROSS, STEPHEN; CRUMRINE, BARBARA; CURTIS, JAMES; CUSTARD, SUSAN; DANIEL JR, ELLIS; DANIELS, WILLIAM; DAVIDSON, LARRY; DEBOEVER, DANIEL; DELWICHE, GREGORY; DEWOLF, MICHAEL; DINAN, LINDA; DODDS, Louis; DOW, JAMES; DOWNING, GERALD; DRAIS, GREGORY; DRAPER, ANNE; DUNCAN, Robert; ELIZALDE, John; ESVELT, TERENCE; FAIR, RALPH; FEDEROVITCH, MICHAEL; FERRERA, RENEE; FLEISCHMANN, ROBERT; FLORES, JOSEPH; FOUSE JR, ROBERT; FOWLER, LLOYD; FOX, ROY; FRANKE, CYNTHIA; GARDNER, JAMES; GERTZ, LARRY; GLASS, L; GLIKO, FRANK; GODFREY, JOHN; GOLDER, HAROLD; GOODPASTER, ROBERT; HAGEN, NANCY; HALSETH JR, LEONARD; HART, DAVID; HASTINGS, TERRY; HAVENS, PHILLIP; HAWKEN, MARY; HECKROTH, ROGER; HEMMELMAN, KENNETH; HICKOK, STEVEN; HILL, LLOYD; HIRAKI, RUTH; HOFFMAN, LORIE; HOGAN, CAROLYN; HOLT, EDMOND; HOOD, JAMES; HOWELL, KIMBERLEY; HOWELL, MICHAEL; HOWELL, WILLIAM; HUFFMAN, THOMAS; INSLEY, GARY; ITAMI, RICHARD; Jennings, Harold V - TFST/Schult; JETER, JOANN; JOHANSEN, JUDITH; JOHNS, MICHAEL; JOHNSON, FREDERICK; JONES, CHARLES; JONES, TERRIE; JONES, THOMAS; KAUFFMAN, DONOVAN; KEEP, BYRON; KEHOE, JAMES; KERR, RAY; KERZMAN, LYNN; KIRKING-KAHL, ORLA; KISER, ROBERT; KITTRELL, DAVID; KNUTTILA, DAVID; KOCJAN, ANTHONY; KRAUSS, DANIEL; KREITZER, JACK; KYLE, GUY; LAHTI, JOHN; LAMB, THERESE; LAMB, WILLIAM; LANDERS, DEAN; LARSON, RALLIN; LARSON, STEPHEN; LATIMER, WILLIAM; LAVIER, BRUCE; LEE, DAVID; LEIDING, JONI; LIDBOM, NOEL; LIEBRECHT, JERRY; LINSON, TRUDY; LOCKWOOD, ALLEN; LUGG, LOIS; LUTTMER,

To:

SYLVIA; MABRY, LUTHER; MACKAY, BRUCE; MACKAY, ROBYN; MAHER, MARK; MAJKUT, PAUL; Mallory, Marlin; MARCOTTE, JAY; MARINO, James; MARINO, STANLEY; MARSH, CHARLES; MARSHALL, PAMELA; MARTIN, Carl; MARTIN, PAUL; MARX, STEPHEN; MARZETTE, LYNN; MAZURKIEWICZ, ROBERT; MCCracken, Michael; MCELHANEY, JUDY; MCGHEE, JOHNNY; MCNARY, SARAH; MEANEY, DEIDRE; MELVILLE, CHARLES; MEYER, CHARLES; MEYER, JAMES; MICHAEL, DANIEL; MILLS, DAVID; MOAD, RUSSELL; MONTGOMERY, MICHAEL; MOONEY, MICHAEL; MOORMAN, GEOFFREY; MORGAN, DAVID; MORGAN, NANCY; MUNCE, SHARON; NELLIS, CHARLES; NELSON, MARG; NEWBIGGING, JAMES; NEWBY, Richard; NIEMEYER, DEL; NOLL, KIM; NORGAARD, DAVID; NORMAN, PAUL; OAKLAND, Martin; OLIVER, STEPHEN; O'ROURKE, JOSEPH; PARKS, Gary; PATRICK, CHRISTOPHER; PENK, DAVID; PETERSON, EDWARD; PETERSON, GARRY; PIERCE, Mark; PIRIE, THERESA; PITZER, LORI; PLATT, JAMES; POMPII, PAUL; POSPISIL JR, JOHN; POTTER, PATRICIA; PRATT, ELIZABETH; PRILL, DALE; PURSIFUL, Charlie; QUINATA, JOHN; RACE, TOM; RAIKOGLO, DWIGHT; RAPACZ, ANDREW; REINDEL, CARL; REYNOLDS, MARK; RHEW, JOHN; RHINE, MARGARET; RHODE, RONALD; RIDENHOUR, RANDY; RINGER, LARRY; RIOS, JOSE; RISING, WILLIAM; ROACH, RANDY; ROARK, THOMAS; ROWAN, JOHN; RUBIN, DAVID; SARKINEN, JARED; SARSFIELD, GEORGE; SASSER, MICHAEL; SCHOLL, A; SCHULTZ, Bryan; Schultz, Darwin R - TFSC/Bell; SELBY, JANE; SHARPE, JOSEPH; SILAGI, JOHN; SILVERSTEIN, BRIAN; SIMONS, SCOTT; SIMS, Larry; SJOQUIST, DENIS; SMITH, ALEXANDRA; SMITH, JAMES; SMITH, SANDRA; SMITH, TIMOTHY; SMITHEY, Roy; SNODGRASS, THEODORE; SPARKS, MICHAEL; SPRAY, ROXY; STARR, JAMES; STAUFFER, NICOLE; STELZER, LYNDIA; STEPHAN, NANCY; STERLEY, DONALD; STEWARD, STANLEY; SUNDAY, G.; SUNDBERG, AARON; SUTTON, THOMAS; SWEET, ROBERT; THOMPSON, FRANK; THOMPSON, RANDY; THOMPSON, Tom; TIMM, PATRICK; TIMMONS, CARL; TORRILLO, E.; TUCK, NANDRANIE; UNDERWOOD, FLOYD; VAN BEMMEL, GARY; VAN BUREN, MARYBETH; VAN LEUVEN, KRISTI; VANZANDT, VICKIE; WAITE, Robert; WARD, BILLY; WARD, MONTGOMERY; WATKINS, DONALD; WEAVER, JOHN; WEDICK, CHARLES; WESTLING, GARY; WHITE JR, JOHN; WHITE, LAURA; WHITE, Robert; WHITNEY, CAROLINE; Wiles, Jack; WILKINS, CURTIS; WILWERS, BARBARA; WINDUS, ROBERT; WOODWARD, JIMMY; WORRALL, ROBERT; WORTH, FRANKLIN; WRIGHT, STEPHEN; YOAKUM, ANN; YOUNG, JADENE; YOUNG, LAURA; ZALDIVAR, Richard; ZEIHNER, MARY; ZENNER, SHARON

Subject:

Talking points: BPA and McCook sign long-term agreement

These talking points provide information about a transaction between BPA, McCook Metals Group . For additional information, contact Mark Miller at (503) 230-4003.



McCook_deal_TP_
5.doc

BPA and McCook sign long-term agreement

BPA Talking Points

February 27, 2001

These talking points provide information about a transaction between BPA, McCook Metals Group . For additional information, contact Mark Miller at (503) 230-4003.

Background

BPA and McCook closed a transaction on Feb. 26 that will help to ensure the long-term viability of the Longview aluminum smelter formerly owned by Reynolds Metals and Alcoa as well as benefit Northwest ratepayers and smelter employees. McCook will operate the plant as Longview Aluminum, LLC. McCook will voluntarily curtail some portion of the output at the plant for a 16-month period, reducing demand on BPA. At the same time, McCook and the United Steel Workers of America have agreed that the salaries and benefits of steelworkers at the plant will be protected for the duration of the curtailment period.

McCook plans to begin ramping up operations at the plant in April 2002 but will not put its full allocation of load back on BPA until July 2002.

McCook has purchased the Longview plant from Alcoa. As part of the purchase agreement, McCook gained the right to purchase power from BPA that had been included in the block sale to Reynolds under its 1996 contract and Alcoa under the 2001 agreement. BPA will purchase 420 average megawatts (aMW) from McCook at a total price of \$226 million paid in 12 monthly installments beginning in March 2000. Assuming the payments are applied only to cover the megawatt-hours curtailed March through Sept 2001, the purchase price is equivalent to about \$105 per megawatt-hour. This is substantially below current market prices and marks a major financial benefit to BPA ratepayers. Effectively, the remaining 9 months of curtailments are free.

Messages

- The agreement between BPA and McCook reduces BPA's load by 420 aMW during a period of tight West Coast energy supply and extremely high market prices through Sept. 2001 and helps save water needed for fish. Further curtailments will reduce the need for augmentation through June 2002.
- The agreement helps to ensure the long-term viability of Longview Aluminum while preserving the salaries and benefits of smelter employees during the curtailment period.
- McCook, working with Enron, plans to develop a 500 MW combustion turbine plant that will provide power for smelter operations beginning some time in the next rate period.
- McCook has agreed that it will not seek to purchase federal power for plant operations after 2006.

Questions and answers

1. How does the agreement between McCook and BPA benefit Northwest ratepayers?

The agreement removes 420 aMW of demand from the BPA system at a time when BPA's resources are stretched to the limit due to the combined effects of a near-record low water year and soaring market prices. Assuming the \$226 million cost to BPA for this transaction is applied only to the megawatt-hours curtailed during March through September, BPA's purchase price of McCook's 420 aMW curtailment is \$105 per MWh. Since McCook will not be required to pay BPA the industrial firm rate for the curtailed power, the effective cost to BPA is about \$123 per MWh. This is a bargain in today's market where prices routinely range between \$275 and \$380 per MWh and sometimes soar to well over \$700 per MWh. In addition, for virtually no cost to BPA, the October through June 2002 curtailment reduces BPA's augmentation requirements at a time in the new rate period that is subject to the highest market prices.

Beginning in April and continuing through June 2002, BPA will supply McCook about 100 aMW for plant operation. However, this is 180 aMW less than McCook is entitled to under its Subscription contract.

2. How does the agreement benefit McCook?

The agreement is important to McCook to secure funding for the purchase and renovation of the Longview smelter – which McCook will call Longview Aluminum. This will result in a state-of-the-art, efficient smelter operation as well as providing a reliable means to insure workers are not financially impacted by the curtailment.

3. What are the long-term benefits of this agreement to ratepayers?

Long-term, McCook has agreed that it will not seek to purchase federal power after 2006. This will permanently relieve BPA from having to supply power for a major industrial customer, thus freeing up power for other Northwest ratepayers.

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BPA inks an innovative aluminum agreement with McCook Metals

[Click here for other BPA news releases](#)

Bonneville Power Administration

FOR IMMEDIATE RELEASE: THURSDAY, March 1, 2001

PR14 00

CONTACTS: *Ed Mosey, BPA (503) 230-5359*

Mike Hansen, BPA (503) 230-4328

PORTLAND, Ore. – BPA and McCook Metals Group (McCook) have signed an agreement intended to ensure the long-term viability of the Longview aluminum smelter, benefit Northwest ratepayers served by the Bonneville Power Administration (BPA), and help save much needed water for fish.

"The incredibly high market prices we are currently experiencing creates the opportunity for this transaction," said BPA Acting Administrator Steve Wright. "This agreement will lower costs for Northwest ratepayers, preserve water for fish, provide compensation for Longview employees while the plant is shutdown, create financing for new resources the region needs and lead to the Longview plant being off the BPA system after 2006."

The agreement calls for removing 420 average megawatts (one third the power needed to run a city the size of Seattle) of demand from the BPA system at a time when BPA's resources are stretched to the limit due to a near-record low water year and soaring energy prices. BPA will purchase McCook's 420 average megawatts at less than half the market price.

McCook will purchase and renovate the Longview smelter, previously owned by Reynolds Metals and Alcoa, creating a state-of-the-art, energy efficient smelter operation. The company will use revenues from the power sale to BPA to secure financing and, at the same time, provide full wages and benefits to its employees for the duration of the curtailment.

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Michael Lynch, Chairman of McCook Metals said, "By demonstrating our commitment to the region's power needs, the long-term future of the plant, and the security of our employees, we have secured a prosperous future for Longview Aluminum. The arrangements will serve as a model for the future of the industry."

McCook will voluntarily curtail some portion of the output at the Longview plant for a 16-month period, reducing demand on BPA. Between March and September 30th of this year, BPA will purchase power from McCook at less than half the current market price. BPA is able to get such an attractive price because unlike Golden Northwest and Columbia Falls, Reynolds Metals did not have remarketing rights in their contract with BPA. Between October 2001 and April 2002, BPA will get

the power back from McCook at virtually no cost. Beginning in April of 2002, BPA will supply McCook 100 average megawatts for plant operation.

"Not having to serve this load next winter is a tremendous benefit to Northwest ratepayers because we will not have to go out and buy power on the open market" said Wright.

McCook also will work with Enron to develop a 500-megawatt combustion turbine plant that will provide power for smelter operations at the Longview plant. McCook is confident that the new station will meet all its power needs. With this new resource, McCook has agreed to make no claims on BPA power after 2006 and support new legislation that would assure that they would be off the system after 2006.

McCook metals is the second largest aluminum plate company in North America, producing specialty products for aircraft, aerospace and defense industries, such as aluminum-lithium alloy plate for NASA's Space Shuttle Program and for military aircraft.

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reduce the likelihood of shortages this summer and next year. It also reduces BPA's need to buy power on the wholesale market where prices are more than \$200 a megawatt hour.

The Northwest's energy crunch is the result of a variety of factors, from climbing consumer demand to near-drought conditions and depleted reservoirs. During the past 10 years, no new generation has been built to ease the squeeze between supply and demand.

California, facing a shortage of its own, has further driven up electricity prices.

Under the agreement, which took effect Thursday, BPA will pay McCook \$105 a megawatt hour for 420 average megawatts through Sept. 30.

BPA pleased with deal

Although BPA is paying far more than the initial selling price, agency officials said they got a good deal -- less than half the going wholesale price.

The deal, therefore, helps lower costs for ratepayers throughout the Northwest, Wright said. If the power isn't needed by other customers, the water otherwise used for generation can aid endangered fish runs, he said.

"We're dealing with some extraordinarily difficult problems," Wright said.

In October, when new five-year contracts between aluminum companies and BPA begin, McCook has agreed to a phased-in plan. For the first six months, the Longview smelter -- now called Longview Aluminum LLC -- will remain idled and receive no power.

Beginning in April, the smelter will receive 100 average megawatts, and from July 1 through the remainder of the contract period it will receive 280 average megawatts.

The price has yet to be set.

After 2006, BPA will end all power sales to the smelter. "That's a critical part of this agreement," Wright said.

BPA hopes to terminate sales to the entire industry by 2006, gaining 1,500 average megawatts.

Longview Aluminum intends to begin partial operations in April 2002, gradually ramping up to full capacity by June 2003, Lynch said.

Power buyback idles smelter

The BPA deal halts operations at a Longview, Wash., plant for more than a year

Friday, March 2, 2001

By Gail Kinsey Hill and Erin Middlewood of The Oregonian staff

The new owners of a Longview, Wash., aluminum smelter Thursday announced plans to shut down the 925-employee plant for at least 14 months and sell back to the Bonneville Power Administration \$226 million worth of unused electricity.

McCook Metals Group, a Chicago-based company that earlier this week bought the Longview smelter from Alcoa, will use the cash to pay workers full wages and benefits during the shutdown, invest in new generating plants and modernize production.

Company officials said they hope to begin operating again in April 2002 and eventually draw power from generating plants McCook plans to develop.

"This was a brilliantly structured transaction," said Michael Lynch, chairman of McCook, who made the announcement at BPA headquarters in Northeast Portland.

Stephen Wright, BPA's acting director, and Gaylan Prescott, field representative of the United Steelworkers of America, touted the agreement as beneficial to all parties. Yet, workers remain uneasy about when they will return to work and whether the aluminum industry will remain an economic force in the Northwest.

The deal, like others recently forged by BPA, underscores the depth of the Northwest's electricity shortage and the lengths to which BPA will go to free up resources.

Under a contract scheduled to expire Sept. 30, BPA had promised to deliver to the Longview smelter a continuous supply of 420 megawatts of power at a cost of \$23.50 a megawatt hour.

Those 420 megawatts can keep the facility running at capacity, producing 204,000 metric tons of aluminum a year. Used elsewhere, those megawatts could light up a city one-third the size of Seattle.

BPA, which markets almost half the electric power consumed in the Northwest, has been trying to buy back power it committed to the electricity-intensive aluminum industry. The freed-up megawatts

McCook will develop two gas-fired combustion turbine plants, each capable of producing 1,100 megawatts, Lynch said. Enron Corp. will be a partner in one of the projects.

The new generation won't be available for several years. When it comes online, any power not used at the smelter will be sold on the market.

In Longview, workers had hoped the announcement would clear up uncertainty about their future. But several said they still don't know if they're coming back to work next week to help with the shutdown or with improvement projects, and if they aren't, when they might.

The mood at the plant is "miserable," said Bill Cochrane, 46, a machinist who has worked there for 13 years.

Employee retraining

McCook plans to offer worker retraining, something that cheers James McGregor.

"I'm young. I can reschool," said McGregor, 25, who has worked as an anode caser at the plant for almost two years. "I'll take the pay while I'm at it if they'll give it to me. I've got a son. I can't sit back and do nothing."

The smelter's future has been uncertain since Alcoa, the world's largest aluminum producer, acquired it in May as part of a \$5.58 million merger with Reynolds Metals. Antitrust regulators required the aluminum giant to sell at least a 25 percent interest in the Longview plant.

McCook, an affiliate of Chicago investment group Michigan Avenue Partners, engineered a purchase of the entire facility. No price was disclosed. The deal became final Tuesday.

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- end -

Insley, Gary C - PTS

From: Wilson, Scott - PT-5
Sent: Wednesday, July 03, 2002 4:11 PM
To: Wright, Stephen J - A-7
Cc: Stauffer, Nicki - A-7; Mosey, Edward - KC-7; Norman, Paul - P; Oliver, Stephen - PT-5; Clark, Harry W - PTS-5; Miller, Mark - PT-5; Hanlon, Doug - PTS-5; Runzler, Kurt W - LP-7; Stier, Jeffrey K - KN-DC; Cohen, Ashley - KN-DC; Wilson, Sarah J - PTS-5; Klippstein, Janet P - PTS-5; Insley, Gary - PTS-5; Hansen, Michael - KC; Burns, Allen - PS-6; Rettenmund, Frederic D-PSE/Spk; Kitchen, Larry - PT-5; Leathley, Kimberly - PM-6; Buskuhl, Carl - PMM-5
Subject: McCook Heads Up

I'm pinch hitting for Mark Miller today who is McCook's AE. BPA received a notice from Longview Aluminum today that advised us that they feel they are experiencing an Uncontrollable Force event under their IP contract with us. They are saying that despite their efforts to negotiate a reasonable contract they are now facing a threat of an imminent strike. Mark will be looking into the merits of their argument (or lack thereof) when he returns on Monday. In the interim if something comes up our official position should be nothing more than we are looking into their claim.

This may or not hit the streets between now and then but wanted to make sure that you all were not surprised. This isn't positive from the financial perspective because at today's market prices the liquidated damage amounts Longview is trying to avoid with this argument amounts to several million dollars. Mark will get back to you all next week as he explores the merits of their case and develops a game plan.

Insley, Gary C - PTS

From: Barter, Catherine - PTS-5
Sent: Wednesday, September 11, 2002 4:55 PM
To: Insley, Gary - PTS-5; Ross, Rodney - DFW-2; Grange, Gary - DFW-2; Loffink, Jennifer - DFR-2; Menashe, Sandy - DFR-2; Livesley, Phil - PMF-6; Davidson, Larry - DFR-2
Subject: FW: Schedule change RE: Longview Aluminum IS NOT going black, continuing to claim Uncontrollable Force

Disregard the previous email. Read below. Longview is not going Black.

-----Original Message-----

From: Clark, Harry W - PTS-5
Sent: Wednesday, September 11, 2002 4:24 PM
To: Barter, Catherine - PTS-5
Subject: FW: Schedule change RE: Longview Aluminum is going black, continuing to claim Uncontrollable Force

fyi

-----Original Message-----

From: Miller, Mark - PT-5
Sent: Wednesday, September 11, 2002 4:18 PM
To: Runzler, Kurt W - LP-7; Wright, Jon D - LP-7; Oliver, Stephen - PT-5
Cc: Clark, Harry W - PTS-5; NW Prescheduling; O'Leary, Jane L - PGK-5; Paschke, Al - TM-DITT2
Subject: Schedule change RE: Longview Aluminum is going black, continuing to claim Uncontrollable Force

Guess what? Longview doesn't want to stop buying power from BPA, they just didn't think there was any need to have anyone submit a schedule, so they fired PRM. I explained to John Kolleng that they have to submit two schedules every day, one to PBL and one to the TBL.

He said longview would like to continue with its 3MW deliveries. I said I could get his 3MW schedule back into the PBL, but he needed to work with his TBL AE to get the Tx schedule back in place. As of about 3:45pm today Longview hadn't got hold of anyone (that I know of).

I recommended that he get hooked back up with PRM and have PRM submit a real time scheduling change increasing Longview's schedule from zero to 3 MW.

-----Original Message-----

From: Miller, Mark - PT-5
Sent: Tuesday, September 10, 2002 3:05 PM
To: Runzler, Kurt W - LP-7; Wright, Jon D - LP-7; Oliver, Stephen - PT-5
Cc: Clark, Harry W - PTS-5; NW Prescheduling; O'Leary, Jane L - PGK-5; Paschke, Al - TM-DITT2
Subject: Longview Aluminum is going black, continuing to claim Uncontrollable Force

I just received a call from PRM, Longview's scheduling agent, telling me that PRM just received a fax directing it to stop scheduling immediately. Since PRM had already scheduled for tomorrow.. it means no power flows after tomorrow.

Longview has been scheduling 3 MW and actually using no more than 2 MW per hour.

I recommended to R.Hardy that Longview submit a curtailment notice for the additional curtailment amount.

Clark, Harry W - PTS-5

From: Kluegel, Bena A - KFRO-2
Sent: Wednesday, December 04, 2002 12:16 PM
To: Clark, Harry W - PTS-5; Runzler, Kurt W - LP-7
Cc: Miller, Mark - PT-5
Subject: RE: Longview - Issue Dates of July, August, and September 2002 Bills

Is this what you're looking for?

-Bena

Longview Aluminum LLC						
Billing Mo	Issue Date	Due Date	Amt Due	Paid Date	Amt Paid	Late Bill Sent
October-01	12/5/2001	12/26/2001	\$108,050.00	12/26/2001	\$108,050.00	
November-01	12/27/2001	1/16/2002	\$120,400.00	1/16/2002	\$120,400.00	
December-01	1/25/2002	2/14/2002	\$156,700.00	2/14/2002	\$156,700.00	
January-02	2/25/2002	3/18/2002	\$167,550.00	3/20/2002	\$167,550.00	No
February-02	3/25/2002	4/15/2002	\$169,250.00	4/17/2002	\$169,250.00	No
March-02	4/23/2002	5/13/2002	\$200,150.00	5/20/2002	\$200,150.00	No
April-02	5/29/2002	6/18/2002	\$ 50,273.00	7/11/2002	\$ 50,273.00	No
May-02	7/3/2002	7/23/2002	\$ 49,606.00	8/23/2002	\$ 49,606.00	No
June-02	8/6/2002	8/26/2002	\$ 56,850.00	9/23/2002	\$ 56,850.00	No
July-02	8/26/2002	9/16/2002	\$283,893.00	11/27/2002	\$ 77,768.00	Yes
August-02	9/20/2002	10/10/2002	\$101,224.00			
September-02	10/24/2002	11/13/2002	\$ 83,212.00			
October-02	11/20/2002	12/10/2002	\$ 42,881.00			
Accounting Operations's policy is to bill for late payment interest if it totals over \$400.						

Longview's late interest rate per contract is 8.75% which in conjunction with the \$400

minimum is why they haven't been billed for late payment on their Jan-Jun bills.

-----Original Message-----

From: Clark, Harry W - PTS-5
Sent: Tuesday, December 03, 2002 11:10 AM
To: Runzler, Kurt W - LP-7; Kluegel, Bena A - KFRO-2
Cc: Miller, Mark - PT-5
Subject: RE: Longview - Issue Dates of July, August, and September 2002 Bills

Kurt - Amounts due were added to the table below.

Bena - Could you help Kurt with his other question? Other months that Longview was late and the number of days late.

-----Original Message-----

From: Runzler, Kurt W - LP-7
Sent: Tuesday, December 03, 2002 10:15 AM
To: Clark, Harry W - PTS-5
Cc: Miller, Mark - PT-5
Subject: RE: Longview - Issue Dates of July, August, and September 2002 Bills

thanks - can you give me the amounts owed for August and September? Also, can the biller tell us what other power bills Longview paid late (if any), and how many days late for each such late bill? thanks

-----Original Message-----

From: Clark, Harry W - PTS-5
Sent: Tuesday, December 03, 2002 9:16 AM
To: Runzler, Kurt W - LP-7
Subject: Longview - Issue Dates of July, August, and September 2002 Bills

Kurt

Issue and due dates that were listed on the bills are specified below.

<u>Month</u>	<u>Issue Date</u>	<u>Due Date</u>	<u>Amount Due</u>
July 2002	8/26/02	9/16/02	
August 2002	9/20/02	10/10/02	\$101,224
September 2002	10/24/02	11/13/02	\$ 83,212

Insley, Gary C - PTS

From: Hyman, Aretha A - DM-7
Sent: Wednesday, January 29, 2003 12:03 PM
To: BAKER, LYNN; BENSON, CHERI; COLGROVE, LISA; HANSEN, MICHAEL; HANSEN, PAUL; HAUSER, KAREN; HEIDMANN, ERIC; HYMAN, ARETHA; KUEHN, VIRGINIA; LIND, SHERRY; MAHAR, DULCY; MOORE, HUGH; MOSEY, EDWARD; MOSEY, INGRID; MURLIN, WILLIAM; ODGAARD, JOHN; REUVEN, KAROL; STENEHJEM, CARLENE; TEMPLETON, IAN; THOMAS, DAVID; ZIMMERMAN, RYAN; BALL, CRYSTAL; CHENEY, KATHERINE; CUSTER, Cindy; EASTMAN, Darrell; EVANS, BARTON; EVANS, PHYLLIS; GRAZIER, ANDRYEA; HUNT, KAREN; HUSTAD, CAROL; JONES, SHERON; KUNTZ, Gail; MARLOWE, William; MORROW, ANNE; RELLER, Mark; SEIFERT, ROGER; SMITH, JOHN; STIER, JEFFREY; SWEDO, ROBERT; TAVES, JOHN; TAWNEY, PATRICIA; WELCH, Sheryl; WILLIAMS, JOHN; ALTMAN, BRIAN; ALVAREZ, LUIS; ALVAREZ, PATRICIA; BARNES, ANNETTE; BEALE, KATHERINE; BERG, MICHAEL; BLANKENSHIP, DARCY; BROCK, MICHAEL; BURBANK, NITA; BUSKUHL, CARL; BYRNES, DAVID; CARBONARI, DONALD; COHEN, RACHELLE; COILA, RICHARD; Collins, DARBY; COOPER, SUZANNE; CREEL, BEATRICE; DALEY, DANIEL; DEHERRERA, JOE; DEKLYEN, THOMAS; DOCHERTY, DEBORAH; ELLIS, ELIZABETH; FOELLER, THOMAS; GEISELMAN, JAMES; Gill, YVETTE; GILLMAN, RICHARD; Golemon, Paula E - TFPG; GOODWIN, HELEN; Haner, JOHN; Hawkins, Don L - TFS/Kalispell; HOLDEN, PATRICIA; HOLMSTROM, JOHN; HONG, CHIOU; HOOPER, ANNE; HOUSE, KATHYRN; HUTSON, NOEL; HYZER, PATRICIA; JACKSON, MELANIE; Johnston, KENNETH; Keller, BARRY; KING, NELSON; KINSEY, WILLIAM; KINTZ, KELLY; KIRKMAN, KENNETH; KLINEFELTER, TERRY; KREIPE, MIKE; KRONICK, GEOFFREY; KYLE, DEBRA; LAHMANN, ROBERT; Lambert, JAMES; LANDAUER, MARVIN; LINDSAY, Joyce; LIPETSKAYA, DINA; LOFY, PETER; LONG, SALLY; LUBACH, JANET; MASLEN, WILLIAM; McMahon, Daniel W - TC; Mitman, NANCY; MONTGOMERY, DOUGLAS; MORGAN, NANCY; NOGUCHI, THOMAS; ODAM, PAMELA; OLSGAARD, BETTY; OSTER, DENNIS; PASCHKE, ALLAN; PELKEY, JANICE; PERIGO, CLIFFORD; PIERCE, KATHERINE; POE, PATRICK; RADEMACHER, CRAIG; RASCHIO, MICHAEL; RAWE, PAULA; RETTENMUND, FREDERIC; ROADMAN, VALERIE; ROBERTS, MARK; RODEWALD, RONALD; RODRIGUES, ANTONY; ROEHM, JENNY; ROGERS, ROBERT; Rogers-Holliday, KAMALA; RUGER, ALAN; RUNZLER, KURT; SCHWARTZ, AMY; SCOTT, Byron; SIVYER, ROLLIE; SKIDMORE, JOHN; STICKLER, L; SWEET, RODNEY; Van Buren, Joseph J - TFPB; WARD, KEVIN; Williams, John J - AR; WILSON, SCOTT; WOLFE, DONALD; WOOD, JENNIFER; ZIMMER, PAT; ADAMS, DONALD; ALBRO, ORION; ALEXANDER, GORDON; ANDERSON, DAVID; ANDERSON, JAMES; ANDERSON, LOREN; ANKER, SUZANNE; ARMSTRONG, David; ASHTON JR, ARDIS; AUSTIN, Robert; BAKER, John; BANKER, WALTER; BANKS, JILL; BARNHART, KENNETH; BAUGHER, JOHN; BECK, ROBERT; BECKER, RICHARD; BECKETT, GODFREY; BEER, J; BELL, MICHAEL; BENNETT, RUTH; BERAUD, ROBERT; BERGLUND, KENNETH; BLANKENSHIP, THOMAS; BLEIFUSS, EDWARD; BOND, MARK; BORROWS, Michael; BOURBON, S; BRAEGGER, VICTOR; BRANDERHORST, TOM; BREIMON, TIMOTHY; BROST, EDWARD; BRYANT, FRED; BURBACH, GREGORY; BURGESS, JAMES; CADE, JOSEPH; CALDWELL, GARY; CALDWELL, MICHAEL; CARLSON, DEBORAH; CARMAN, KEVIN; CARTER, GLORIA; CESARIO, LEANNE; CHABOT, DENNIS; CHRISTMAS III, NICK; CHURCH, LOUIS; CLARK, REBECCA; COE, SCOTT; COLEMAN, DEBRA; CONN, TRUMAN; CONNERS, MICHAEL; COULOMBE, DALE; COURTS, ALAN; COWGER, JOHN; CROSS, STEPHEN; CRUMRINE, BARBARA; CURTIS, JAMES; CUSTARD, SUSAN; DANIEL JR, ELLIS; DANIELS, WILLIAM; DAVIDSON, LARRY; DEBOEVER, DANIEL; DELWICHE, GREGORY; DINAN, LINDA; DODDS, LOUIS; DOW, JAMES; DOWNING, GERALD; DRAIS, GREGORY; DRAPER, ANNE; DUNCAN, Robert; ELIZALDE, John; ESKIL, JENNIFER; ESVELT, TERENCE; FAIR, RALPH; FEDEROVITCH, MICHAEL; FERRERA, RENEE; FLEISCHMANN, ROBERT; FLORES, JOSEPH; FOUSE JR, ROBERT; FOWLER, LLOYD; FOX, ROY; FRANKE, CYNTHIA; GARDNER, JAMES; GERTZ, LARRY; GLASS, L; GLIKO, FRANK; GOLDER, HAROLD; GOODPASTER, ROBERT; GRABOWSKI, SALLY; HAGEN, NANCY; HAIRSTON, JOHN; HALSETH JR, LEONARD; HART, DAVID; HASTINGS, TERRY; HAWKEN, MARY; HECKROTH, ROGER; HICKOK, STEVEN; HILL, LLOYD; HILLIARD, JAMAE; HIRAKI, RUTH; HOFFMAN, LORIE; HOGAN, CAROLYN; HOOD, JAMES; HOWELL, KIMBERLEY; INSLEY, GARY; ITAMI, RICHARD; JETER, JOANN; JOHNS, MICHAEL; JOHNSON, FREDERICK; JONES, CHARLES; JONES, TERRIE; JONES, THOMAS; KAUFFMAN, DONOVAN; KEATING, KENNETH; KEEP, BYRON; KEHOE, JAMES; KERZMAN, LYNN;

To:

KIRKING-KAHL, ORLA; KISER, ROBERT; KITTRELL, DAVID; KNUTTILA, DAVID; KOCJAN, ANTHONY; KRAUSS, DANIEL; KYLE, GUY; LAHTI, JOHN; LAMB, THERESE; LAMB, WILLIAM; LARSON, STEPHEN; LATIMER, WILLIAM; LAVIER, BRUCE; LEE, DAVID; LEIDING, JONI; LIDBOM, NOEL; LINSON, TRUDY; LOCKWOOD, ALLEN; LUGG, LOIS; LUTTMER, SYLVIA; MACKAY, BRUCE; MACKAY, ROBYN; MAHER, MARK; MAJKUT, PAUL; Mallory, Marlin; MARCOTTE, JAY; MARINO, James; MARINO, STANLEY; MARSHALL, PAMELA; MARTIN, Carl; MARTIN, PAUL; MARX, STEPHEN; MARZETTE, LYNN; MCCracken, Michael; MCELHANEY, JUDY; MCGHEE, JOHNNY; MCNARY, SARAH; MEANEY, DEIDRE; MELVILLE, CHARLES; MEYER, CHARLES; MEYER, JAMES; MOAD, RUSSELL; MONTGOMERY, MICHAEL; MOONEY, MICHAEL; MOORMAN, GEOFFREY; MORGAN, DAVID; MUNCE, SHARON; NELLIS, CHARLES; NELSON, MARG; NEWBIGGING, JAMES; NEWBY, Richard; NIEMEYER, DEL; NOLL, KIM; NORMAN, PAUL; OAKLAND, Martin; OLIVER, STEPHEN; O'ROURKE, JOSEPH; PARKS, Gary; PATRICK, CHRISTOPHER; Pendergrass, RICHARD; PENK, DAVID; PETERSON, EDWARD; PETERSON, GARRY; PIERCE, Mark; PIRIE, THERESA; PITZER, LORI; PLATT, JAMES; POMPILI, PAUL; POSPISIL JR, JOHN; PRATT, ELIZABETH; PRILL, DALE; PURSIFUL, Charlie; PYRCH, JOHN; QUINATA, JOHN; RACE, TOM; RAPACZ, ANDREW; REINDEL, CARL; REYNOLDS, MARK; RHEW, JOHN; RHINE, MARGARET; RHODE, RONALD; RIDENHOUR, RANDY; RIOS, JOSE; ROACH, RANDY; ROARK, THOMAS; ROWAN, JOHN; RUBIN, DAVID; SARKINEN, JARED; SARSFIELD, GEORGE; SASSER, MICHAEL; SCANLON, TIMOTHY; SCHOLL, A; SCHULTZ, Bryan; Schultz, Darwin R - TFSC/Bell; SELBY, JANE; SHARPE, JOSEPH; SILAGI, JOHN; SILVERSTEIN, BRIAN; SIMONS, SCOTT; SIMS, Larry; SJOQUIST, DENIS; SMITH, ALEXANDRA; SMITH, JAMES; SMITH, SANDRA; SMITH, TIMOTHY; SMITHEY, Roy; SNODGRASS, THEODORE; SPARKS, MICHAEL; SPRAY, ROXY; STAUFFER, NICOLE; STELZER, LYNDA; STEPHAN, NANCY; STERLEY, DONALD; STEWARD, STANLEY; SUNDAY, G.; SUNDBERG, AARON; SUTTON, THOMAS; SWEET, ROBERT; THOMPSON, RANDY; THOMPSON, Tom; TIMM, PATRICK; TIMMONS, CARL; TORRILLO, E.; TUCK, NANDRANIE; UNDERWOOD, FLOYD; VAN BEMMEL, GARY; VAN BUREN, MARYBETH; VAN LEUVEN, KRISTI; VANZANDT, VICKIE; Vowles, MIRA; WAITE, Robert; WARD, MONTGOMERY; WATKINS, DONALD; WEAVER, JOHN; WEEDALL, MICHAEL; WESTLING, GARY; WHITE JR, JOHN; WHITE, LAURA; WHITE, Robert; WHITNEY, CAROLINE; Wiles, Jack; WILKINS, CURTIS; WILWERS, BARBARA; WINDUS, ROBERT; WOODWARD, JIMMY; WORRALL, ROBERT; WORTH, FRANKLIN; WRIGHT, STEPHEN; YOAKUM, ANN; YOUNG, JADENE; YOUNG, LAURA; ZALDIVAR, Richard; ZEIHNER, MARY; ZENNER, SHARON

Subject:

Longview Aluminum Power Sales Contract Termination .. TPs and RP - Internal Use

Importance:

High

Longview Aluminum LLC (Longview) is severely delinquent paying its bills incurred within the terms of its Power Sales Contract with the PBL. As a result, the PBL has exercised its rights under the contract to terminate the contract. The termination letter was sent yesterday afternoon. The termination is effective immediately, but the PBL will be providing service through February.

For further information about Longview's power sales contract with the PBL, contact Mark Miller at (503) 230-4003.



Longview Talking
Points 12 01-...

Termination of Longview Aluminum's Power Sales Contract

BPA Talking Points

January 28, 2003

Longview Aluminum LLC (Longview) is severely delinquent paying its bills for both its Power and Transmission contracts with BPA. The following outlines the current situation with the PBL. For further information about Longview's power sales contract with the PBL, contact Mark Miller at (503) 230-4003.

Background

On March 1, 2001, BPA and Longview Aluminum, LLC (Longview) signed an agreement intended to ensure the long-term viability of the Longview aluminum smelter, benefit Northwest ratepayers served by BPA, and help save much needed water for fish. The agreement called for removing all of Longview's demand from the BPA system at a time when BPA's resources were stretched to the limit due to a near-record low water year and soaring energy prices. BPA paid Longview \$226 million, less than half the market price of the energy at the time.

Longview used proceeds from the sale to BPA to purchase the smelter, previously owned by Reynolds Metals and Alcoa, and promised to renovate the smelter creating a state-of-the-art, energy efficient smelter operation. The company also was to use revenues from the power sale to BPA to provide full wages and benefits to its employees for the duration of the curtailment.

BPA was able to negotiate the below market price because, unlike Golden Northwest and Columbia Falls, Reynolds Metals did not have remarketing rights in its power sales contract with BPA. Between March and October 2001 the load buy-down was 420 megawatts/hour (MW). From October 2001 through April 2002, the load buy-down was 280 MW/hour, and from April 2002 to July 2002 the load buy down was 180 MW/hour. Beginning in April of 2002, BPA was to begin supplying Longview 100 MW/hour for plant operation. In July of 2002, Longview was to begin taking all of the power identified in its new five-year contract, 280 MW/hour. Longview did not take power in April and has remained closed to this day. However, they have continued to take approximately two average megawatts to run lights, run a surface water treatment facility and provide power to a credit union on the site.

Messages

- Longview Aluminum has not paid a power bill on-time since October 2001 and stopped paying altogether starting with the August 2002 bill.
- Longview's Subscription contract with BPA provides BPA the right to terminate the contract if Longview is over 90 days late paying its bill.

- Longview has not shown any substantiated means of paying its August bill, or any other bills owed to BPA. Under threat of suspension of service Longview has prepaid for its power for December, January, and February.
- The PBL has notified Longview it is exercising its contract termination rights as of January 28.
- Because Longview has prepaid for power through February, and to provide Longview with time to deal with its energy needs at the plant, the PBL will continue to make deliveries through the end of February 2003. Termination will not relieve Longview of any liabilities to BPA. All obligations will survive until satisfied.
- Termination of Longview's power sales contract does not prevent it from purchasing power from other suppliers in the market.

Q's and A's

1. Is Longview currently smelting any Aluminum at the plant?

Longview hasn't smelted any metal at the Longview plant since it purchased the plant from Alcoa in March 2001.

2. By how much is Longview in arrears?

Longview has not paid a power bill on time since October 2001. On November 22, 2002, Longview paid only that portion of its July 2002 bill attributed to the power it consumed in July, \$77,000 out of the total \$283,000 bill ((\$77k was for power consumed and \$206k is a take-or-pay amount because Longview neglected to submit a curtailment notice for part of July). Longview continues to owe BPA \$206,000 for the remainder of the July bill. In addition, Longview owes \$227,000 for the August through November 2002 bills. Longview also owes \$16.1 million for its take-or-pay obligation for FY 2002. Thus, to date, Longview owes BPA a total of \$16.533 million.

3. What has been Longview's response?

Longview has made vague promises to pay BPA when the plant resumes operations, or when it finds additional financing for its operations.

4. Why did Longview prepay its December, January, and February power bills?

Due to the delinquency of Longview's payments, the PBL informed Longview at the beginning of December 2002 that it must start prepaying for power deliveries starting with power delivered December 13th, or further deliveries would be suspended. Longview prepaid for the entire months of December, January, and February.

5. Does Longview still have to pay BPA its past due bills even though its power sales contract is terminated?

Yes, termination does not relieve Longview of any obligation to pay past bills.

6. What about future revenues Bonneville would have earned from the Longview contract?

Since the power sales contract with Longview is a take-or-pay contract, Bonneville will claim damages (if any) for the shortfall between the contract power rate (the Industrial Firm Power, or IP-02, rate) and estimated market prices through September 2006.

7. What about the \$16.1 million in FY2002 Liquated Damages Longview owes Bonneville?

Bonneville will continue to pursue collecting the take-or-pay bill through whatever means possible, including court action and referring the collection to the Department of Treasury.

8. What is the Union's position on termination of the contract?

Union representatives were notified of Bonneville's intention to terminate and agreed termination is necessary and appropriate given Longview's conduct.

9. What is TBL doing?

Longview has not paid its TBL bill for several months and currently owes the TBL over \$1 million. TBL has notified Longview it may terminate as of January 26. The TBL is currently considering opening the breaker that connects the plant to the grid, thereby cutting off all electrical service to the plant.

10. Was Longview obligated by the curtailment agreement to build a power plant?

No. The curtailment agreement allowed Longview to spend proceeds from the agreement on a power plant, but did not obligate it to do so.

TD

**PBL Termination of Longview Aluminum Power Sales Contract
Release Plan
January 28, 2003**

Background:

Longview Aluminum's August 2002 power bill became 90 days overdue on January 8, 2003. Longview also has not paid its overdue power bills for September, October or November, nor has it paid its \$16 million take-or-pay bill for FY 2002. It does not appear that Longview has any substantiated means of paying these bills. In light of Longview's failure to provide BPA with any reasonable assurance that it can or will be able to pay its August bill in a timely manner, the PBL is exercising its right to terminate Longview's power sales contract. To provide a transition period prior to the time power deliveries under the contract are terminated and because Longview has prepaid for power deliveries for the months of December, January and February, the PBL will continue to make deliveries through the end of February 2003. Contract termination will not relieve Longview of any liabilities to BPA. All obligations will survive until satisfied.

Message:

Longview has stopped paying its power bills and there is no indication it will ever make good on those bills. BPA has invoked the termination for non-payment provision of the payment clause of the power sales contract and has terminated Longview's contract. Termination of its power sales contract with the PBL does not prevent Longview from purchasing power on the market from other suppliers.

Strategy:

Selected contacts will be made PRIOR to sending the notice to Longview. There will be no official press release, but we will be making selected media contacts to explain exactly what is happening and why. Once the power sales contract termination letter has been sent to Longview Aluminum, contacts with the media, local and state government officials and others as appropriate will be made as indicated below. The status of the TBL's transmission contract with Longview is uncertain at this time.

I. Communication Tools

- No Press Release. Ed Mosey/Mike Hansen will brief select press based on interest.
- Calls will be made to targeted parties as a heads up prior to notifying Longview.
- Internal Talking Points
- Articles in Hot Issues and Power Source

II. Internal Communication

In addition to providing talking points, conduct briefings as needed for:

- **Account Executives** – Brief AEs on the January 31 Friday AE conference call.

- **Constituent Account Executives** – schedule briefing during their weekly conference call or invite to attend the AE briefing.
- **Tribal Liaisons** – as requested.

III. External Communication: Calls will be made to the following people/organizations to inform them of the termination on the day it happens.

*Those who should be contacted PRIOR to notifying Longview are indicated below.

Audiences –Contact List

Organization	BPA Contact
*D. C. Contacts	Jeff Stier/Crystal Ball/Ashley Cohen
<ul style="list-style-type: none"> • DOE Contacts • Delegation 	
*Washington Delegation Offices in Washington State	Cindy Custer
Utilities—Publics, IOUs, DSIs (as appropriate)	Account Executives
* Cowlitz County PUD	John Lebens
Public Interest Groups	
* United Steel Workers of America (Foster)	Steve Oliver/Mark Miller
Other Public Interest Groups as appropriate	John Taves
Washington State Governors Office and Legislators	Cindy Custer
Washington Dept of Ecology	Mark Miller/Al Paschke
Alcoa	Mark Miller/
NWPPC as appropriate	Karen Hunt
Tribes	
Appropriate Tribal Contacts to be identified by Tribal Account Executive.	Buzz Cobell
Media Contacts (there will not be a press release)	Ed Mosey/Mike Hansen
Longview Daily News	
Clearing Up	
AP reporter	
Other contacts as appropriate	

Insley, Gary C - PTS

From: Barter, Catherine - PTS-5
Sent: Tuesday, February 18, 2003 1:40 PM
To: Miller, Mark - PT-5; Clark, Harry W - PTS-5; Wilson, Scott - PT-5; Insley, Gary - PTS-5
Subject: Longview Sues Alcoa Over Smelter Rights

Importance: High

Longview Sues Alcoa Over Smelter Rights
February 18, 2003 1:17:00 PM ET

NEW YORK (© 2003 Reuters) - Privately-held Longview Aluminum said on Tuesday that it filed suit against Alcoa Inc. ([AA </inc/news/quotedir.asp?symbol=US:AA>](#)) on Feb. 12 over the terms of a \$6.9 million ground lease signed when the Longview aluminum smelter was purchased.

Filed in the United States District Court for the Northern District of Illinois, the suit alleges that labor unrest associated with Longview Aluminum's inability to secure a long-term collective bargaining agreement with the United Steelworkers of America constitutes "force majeure" and invalidates an early termination provision in the lease.

Alcoa sold the Longview, Washington smelter to Chicago-based investment group, Michigan Avenue Partners, as part of a court-ordered divestiture when Alcoa merged with Reynolds Metals Co.

Longview Aluminum said in a statement "eleventh-hour conditions" were imposed on the smelter sale that were intended to circumvent antitrust protections and that violated both the letter and the spirit of the divestiture requirement.

Alcoa imposed a condition that required the new owners to operate one potline for four continuous months out of each 22-month period or the ground lease would terminate and the land would revert back to Alcoa, it said.

Under these terms, Longview said it would have been required to restart smelting operations no later than September 2002.

The ground lease does provide for certain exceptions under force majeure, such as labor shortages or unrest, Longview said.

It added that Alcoa agreed to a short-term extension of the smelter restart date to Jan. 31, 2003.

Longview chairman Michael Lynch said Alcoa has agreed to another short-term extension, but his intention with the lawsuit is to eliminate the conditional clause from the ground lease altogether.

In the meantime, Lynch said, the suit is attempting to declare the current labor situation as labor unrest and therefore extend the ground lease under force majeure, and it requests a preliminary and permanent injunction against Alcoa until litigation is concluded.

###

Insley, Gary C - PTS

From: Clark, Harry W - PTS-5
Sent: Friday, April 04, 2003 4:40 PM
To: Miller, Mark - PT-5
Cc: Insley, Gary - PTS-5; Barter, Catherine - PTS-5
Subject: Longview - MARK WELCOME BACK

Nothing here you can not get from Kurt Runzler in a 5 minute conversation.

- The next hearing is scheduled for Tuesday, April 8.
- Judge instructed BPA to provide service during April and that Longview needs to prepay.
- PBL has received prepayment for April. Evidently they are still trying to set up the escrow account for TBL.
- Judge still has not accepted Longview's proposal or made a decision whether contracts are terminated.
- DOJ attorney did not want BPA to accept schedules from Longview. Jane has set up a memo account and has the ability to calculate a month-end adjustment based on Dow Jones Mid-C Index.
- Staff is still working on how the bill should be processed to get the revenue information into the system, BUT THEY UNDERSTAND NOT TO SEND THE BILL TO LONGVIEW.

Insley, Gary C - PTS

From: Schwarz, Shawn S - KFRO-2
Sent: Friday, July 25, 2003 3:03 PM
To: Clark, Harry W - PTS-5; Klippstein, Janet R - PTS-5
Cc: Insley, Gary - PTS-5; Miller, Mark - PT-5
Subject: RE: Longview prepayment balance confirmation

Following a revision of my spreadsheet for post-petition amounts I show a net balance of \$124,095.00. This closely reflects the data that Harry shared with me and our records look in order. Thank you for your help Harry!

Have a good weekend,

Shawn.

-----Original Message-----

From: Clark, Harry W - PTS-5
Sent: Friday, July 25, 2003 2:11 PM
To: Klippstein, Janet R - PTS-5
Cc: Insley, Gary - PTS-5; Miller, Mark - PT-5; Schwarz, Shawn S - KFRO-2
Subject: RE: Longview prepayment balance confirmation

Janet

I discussed these account balances with Shawn. I provided him the summaries I shared with you that indicate a TBL debit balance a little over \$6,000 and a PBL credit balance a little over \$118,000. He is reviewing the prepayment account.

-----Original Message-----

From: Schwarz, Shawn S - KFRO-2
Sent: Thursday, July 24, 2003 3:00 PM
To: Klippstein, Janet R - PTS-5
Cc: Insley, Gary - PTS-5; Clark, Harry W - PTS-5; Miller, Mark - PT-5
Subject: RE: Longview prepayment balance confirmation

Janet,

At the end of this month the account I am responsible for (253022) which hold the Longview prepayments will be audited. I need to confirm with you that the numbers I have are reasonable as of 6/30/03.

For Transmission I am showing a Debit balance of \$12,840.00. We may need to transfer funds from the Power side to cover this shortage. Let me know your thoughts on this.

For Power I am showing a Credit balance of \$181,897.00. This is our current funds available as of 6/30/03.

Thanks for your time

Shawn Schwarz

Accountant, BPA

(503) 230-5292

-----Original Message-----

From: Klippstein, Janet R - PTS-5
Sent: Tuesday, May 06, 2003 3:00 PM
To: Schwarz, Shawn S - KFRO-2
Cc: Insley, Gary - PTS-5; Clark, Harry W - PTS-5; Miller, Mark - PT-5
Subject: RE: Longview prepayment balance confirmation

A balance of \$73,657.00 in Longview's account on 4/30/03 is reasonable. The bill for delivery month April has not been sent yet so the \$65,000 April pre-payment is still in the account. An additional small amount is in the account because the March billed amount was less than the March pre-payment amount.

FYI to everyone else--

Shawn verified that the \$65,000 pre-payment was received today, Tuesday, 6 May. It will be credited as \$60,000 to the Power Business Line and \$5,000 to Transmission Business Line.

-----Original Message-----

From: Miller, Mark - PT-5
Sent: Tuesday, May 06, 2003 2:23 PM
To: Klippstein, Janet R - PTS-5; Clark, Harry W - PTS-5
Cc: Insley, Gary - PTS-5
Subject: FW: Longview prepayment balance confirmation

I hate to say it, but I don't carry this kind of information around in my head, and haven't really been tracking it very closely. Can you guys collaborate on answer this?

-----Original Message-----

From: Schwarz, Shawn S - KFRO-2
Sent: Tuesday, May 06, 2003 1:48 PM
To: Miller, Mark - PT-5
Subject: Longview prepayment balance confirmation

Mark,

Can you tell me what your records indicate as the current balance available in the prepayment account for Longview? My records indicate a current balance of \$73,657.00 as of 4/30/03. We plan to include this information in our Qtrly analysis for the auditors.

Thanks

Shawn Schwarz
Accountant, BPA
(503) 230-5292

Miller, Mark E - PT

From: Brooks, Jennifer (Cantwell) [Jennifer_Brooks@cantwell.senate.gov]
Sent: Friday, October 10, 2003 7:51 AM
To: memiller@bpa.gov
Subject: Meeting 10/14 re Longview Aluminum

Mark Miller, BPA

Senator Maria Cantwell, Senator Murray and Representative Baird would like to invite you to a meeting to discuss the bankruptcy and possible solutions to saving the Longview Aluminum plant. The meeting will be held on Tuesday, October 14 at 4:30 PM in Cantwell's offices, 717 Hart Senate Office Building. In addition to BPA, the Pension Benefit Guaranty Corporation, United Steelworkers of America, Alcoa and Chapter 11 Trustee, Bill Brandt, have been invited.

Please let me know whether you will be attending.

Thank you,
Jennifer Brooks
Office of Senator Maria Cantwell
202-224-9080

Miller, Mark E - PT

From: Hank Gory [hank.gory@vikingacq.com]
Sent: Wednesday, March 26, 2003 10:46 AM
To: memiller@bpa.gov
Subject: Longview April Usage

budget being approved this afternoon, need to know April usage, March you were wired \$72,900; what should I put in budget for April?

Miller, Mark E - PT

From: Hank Gory [hank.gory@vikingacq.com]
Sent: Wednesday, March 26, 2003 11:38 AM
To: memiller@bpa.gov
Subject: Fw: today

Mark

I believe the prepay for April was \$60,000, but I need to confirm. Please reply

----- Original Message -----

From: Jeffrey Dulberg <mailto:JDulberg@pszyjw.com>
To: 'Hank Gory' <mailto:hank.gory@vikingacq.com>
Cc: Michael Lynch <mailto:Michael.Lynch@VikingAcq.com>; John Kolleng <mailto:John.Kolleng@LongviewAluminum.Com>; James Stang <mailto:JStang@pszyjw.com>; Jeff Pomerantz <mailto:JPomerantz@pszyjw.com>; Steven Jakubowski (E-mail) <mailto:sjakubowski@colemanlawfirm.com>; James O'Neill <mailto:JO'neill@pszyjw.com>; Rachel Lowy Werkheiser <mailto:rwerkheiser@pszyjw.com>
Sent: Wednesday, March 26, 2003 1:00 PM
Subject: RE: today

Can someone explain the \$72,900 figure for power? In our motion we said we would prepay \$60K for April. Can we reduce it to that?

-----Original Message-----

From: Hank Gory [mailto:hank.gory@vikingacq.com]
Sent: Wednesday, March 26, 2003 10:37 AM
To: Jeffrey Dulberg
Cc: Michael Lynch; John Kolleng; James Stang; Jeff Pomerantz; Steven Jakubowski (E-mail); James O'Neill; Rachel Lowy Werkheiser
Subject: Re: today

here is recent budget at 12:30 CST Wed Mar 26

----- Original Message -----

From: Jeffrey Dulberg <mailto:JDulberg@pszyjw.com>
To: 'Hank Gory' <mailto:hank.gory@vikingacq.com>
Cc: Michael Lynch <mailto:Michael.Lynch@VikingAcq.com>; John Kolleng <mailto:John.Kolleng@LongviewAluminum.Com>; James Stang <mailto:JStang@pszyjw.com>; Jeff Pomerantz <mailto:JPomerantz@pszyjw.com>; Steven Jakubowski (E-mail) <mailto:sjakubowski@colemanlawfirm.com>; James O'Neill <mailto:JO'neill@pszyjw.com>; Rachel Lowy Werkheiser <mailto:rwerkheiser@pszyjw.com>
Sent: Wednesday, March 26, 2003 12:08 PM
Subject: RE: today

Longview Aluminum -- PBGC Cash Collateral

-----Original Message-----

From: Hank Gory [mailto:hank.gory@vikingacq.com]
Sent: Wednesday, March 26, 2003 10:08 AM
To: Jeffrey Dulberg
Cc: Michael Lynch; John Kolleng; James Stang; Jeff Pomerantz; Steven Jakubowski (E-mail); James O'Neill; Rachel Lowy Werkheiser
Subject: Re: today

Everyone please acknowledge that we are not going forward on these two items: PacificStates Industrial and Burlington Northern Railroad will **not be put** in the budget. Please drop any forward motion on this. The two budgets sent to Jeff this morning stand as is.

Also, Jeff, what name do I use on the bank account, that needs to be opened at State Street Bank?

----- Original Message -----

From: Jeffrey Dulberg <mailto:JDulberg@pszyjw.com>
To: 'Hank Gory' <mailto:hank.gory@vikingacq.com>
Cc: Michael Lynch <mailto:Michael.Lynch@VikingAcq.com> ; John Kolleng <mailto:John.Kolleng@LongviewAluminum.Com> ; James Stang <mailto:JStang@pszyjw.com> ; Jeff Pomerantz <mailto:JPomerantz@pszyjw.com> ; Steven Jakubowski (E-mail) <mailto:sjakubowski@colemanlawfirm.com> ; James O'Neill <mailto:JO'neill@pszyjw.com> ; Rachel Lowy Werkheiser <mailto:rwerkheiser@pszyjw.com>
Sent: Wednesday, March 26, 2003 11:53 AM
Subject: RE: today

Hank & Mike: If you want it paid, put it in the budget. Do you want/need Court permission to pay Burlington and Pacific for pre-petition amounts or just Pacific? Hank's email is not clear.
Jeff & Steve: It looks like we may need a critical vendor motion -- I can't get to this before I leave for my hearing today and I have to piece together BPA tonight. Steve: Will this get granted before Wedoff? What kind of showing do we need? Can Elizabeth help put something together?

-----Original Message-----

From: Hank Gory [mailto:hank.gory@vikingacq.com]
Sent: Wednesday, March 26, 2003 9:26 AM
To: Jeffrey Dulberg
Cc: Michael Lynch; John Kolleng
Subject: Fw: today

Lou is requesting we enter Pacific States Industrial as a critical supplier, with court permission to pay \$30,164 in pre petition money; list of top 20 they were listed with an amount of \$17,694, after filing we received an additional bill of \$12,470 dated March 3, this brings their total pre petition to \$30,164. Post petition bills have been guaranteed direct payment from Glencore to Pacific States for the vacuum removal of the Alumina ore we continue to sell to Glencore

The \$8,000 to Burlington Northern Railroad represents demurrage for pre petition dates, that was not billed until after the filing dates, we use the railroad cars to ship the ore to Glencore in Montana.

Please advise if either of these suppliers have a place in the 3/29-4/22 budget

----- Original Message -----

To: 'Hank Gory' <mailto:hank.gory@vikingacq.com>
Cc: Locke, Lou <mailto:/O=MCCOOK METALS/OU=LONGVIEWALUMINUM/CN=RECIPIENTS/CN=LGLocke>
Sent: Wednesday, March 26, 2003 11:00 AM
Subject: RE: today

We need to enter into the budget a figure of \$8,000.00 for demurrage charges for Burlington Northern Railroad.

Pacific States Industrial said that they will come back in to start work ASAP based on the knowledge that we are listing them as a critical vendor and submitting to the court for approval to pay them the 16,493.50 and 13,670.50 that is outstanding. I told them that going forward Glencore will pay them

directly including the 4,241.00 that was billed post.

Please make sure that we put up a strong argument to get approval to pay them.

Thanks

-----Original Message-----

From: Hank Gory [mailto:hank.gory@vikingacq.com]

Sent: Wednesday, March 26, 2003 7:49 AM

To: Atkins, Arika; Andrew, Susie

Subject: today

yes, payroll is set to transmit today, everything is ready with ADP and you will receive your payroll back tomorrow

Miller, Mark E - PT

From: Locke, Lou [lou.Locke@Longviewaluminum.com]
Sent: Monday, April 19, 2004 1:37 PM
To: Mark Miller (memiller@bpa.gov)
Subject: RE: Power Requirement for March 2004

> Mark,
>
> Our estimated demand for power for May, 2004 is 2 MW's. If you need any
> further information please let me know. We are presently using about 1.5
> MW's. As soon as the equipment has been removed after auction I will see
> if I can get that below 1.0 MW.
>
> Louis G. Locke, Jr.
> Plant Manager
> Longview Aluminum LLC
> 360.636.8204
> 360.749.1652 Cell

Miller, Mark E - PT

From: Locke, Lou [lou.Locke@Longviewaluminum.com]
Sent: Monday, June 21, 2004 10:15 AM
To: Miller, Mark - PT-5
Subject: RE: Power Requirement for June 2004

> Mark,
>
> Our estimated demand for power for July, 2004 is 1 MW. If
> you need any further information please let me know.
>
> Louis G. Locke, Jr.
> Plant Manager
> Longview Aluminum LLC
> 360.636.8204
> 360.749.1652 Cell

Miller, Mark E - PT

From: lou locke [lou.locke@longviewaluminum.com]
Sent: Wednesday, July 21, 2004 11:33 AM
To: Miller, Mark - PT-5; Locke, Lou
Cc: Clark, Harry W - PTS-5; Wilson, Scott - PT-5
Subject: RE: Lonview Aluminum Power Requirement for August 2004

Longview Aluminum's power demand for August is 1 MW. Thanks for the help.

Louis G. Locke, Jr.
Plant Manager
Longview Aluminum LLC
360.636.8204

-----Original Message-----

From: Miller, Mark - PT-5 [mailto:memiller@bpa.gov]
Sent: Monday, July 12, 2004 4:30 PM
To: Locke, Lou
Cc: Clark, Harry W - PTS-5; Wilson, Scott - PT-5
Subject: Lonview Aluminum Power Requirement for August 2004

Lou, I will be out starting the 14th through the 27th of July. Can you send your demand estimate for August to Scott Wilson(503-230-8155) and Harry Clark(503-230-3662)? Their e-mail addresses are in the cc: list.

Thanks

Harry and Scott here is Lou's contact information.

>
> Louis G. Locke, Jr.
> Plant Manager
> Longview Aluminum LLC
> 360.636.8204
> 360.749.1652 Cell

Miller, Mark E - PT

From: James E. Moore [Jmoore@dsi.biz]
Sent: Wednesday, September 29, 2004 7:28 AM
To: Miller, Mark E - PT
Cc: Matthew Troy (E-mail); Runzler, Kurt W - LP; Dowty, Jim - KFRO; McGuire, Stephen - KFRO; Clark, Harry W - PTS
Subject: RE: Longview Aluminum's Prepay amount for October

Thanks Mark, wire is on its way
Jim

-----Original Message-----

From: Miller, Mark E [mailto:memiller@bpa.gov]
Sent: Tuesday, September 28, 2004 6:11 PM
To: James E. Moore
Cc: Matthew Troy (E-mail); Runzler, Kurt W - LP; Dowty, Jim - KFRO; McGuire, Stephen - KFRO; Clark, Harry W - PTS
Subject: Longview Aluminum's Prepay amount for October

Longview Aluminum's prepay amount for October is **\$29,427.50**
Please review section 3 of the Stipulation regarding the timing of prepayments for power.

Current flat Mid-C price for October \$39.50
Energy Demand 1MW
Hours in October 745

$\$39.50 \times 1 \times 745 = \$29,427.50$

Call me if you have any questions 503-230-4003
Mark Miller, BPA Account Executive

Miller, Mark E - PT

From: Forman, Charles W - PSW
Sent: Monday, November 29, 2004 5:20 PM
To: Denny Robinson (E-mail); Brian Skeahan (E-mail); John Dietz (E-mail)
Cc: Morgan, Nancy E - TM; Fitzsimmons, David A - TM; Johnson, Kelly G - TOC; Miller, Mark E - PT; Paschke, Al - TM
Subject: Longview Alum/Nootka service

Based on our phone discussion earlier today, PBL and TBL have looked into how we can provide continuity of service until Cowlitz is able to pick up the Nootka load on or about Friday of this week. I described this briefly to John a few minutes ago.

Continuing a direct BPA sale to the trustee or to Nootka is problematic for BPA on several fronts.

What we propose instead is to provide a temporary POD under Cowlitz's Power and NT transmission contracts and include the amounts of power and transmission supplied at this point in Cowlitz's December BPA bills. This is something Denny and I talked about as a possibility some time ago, if I recall correctly.

The temporary POD is what we call the Longview A Out meter, meter number 0662.

This meter records power supplied to the Longview Alum site.

In Kelly Johnson's words:

It's no problem to take the readings from meter point 662 and apply that to the Cowlitz PUD NT bill until they take over service. This would be effective at 0001 of Dec 1st, 2004 and go until the load is shifted to Cowlitz PUD on their 115 kV service on or around Dec 3rd, 2004. Obviously meter point 662 will go to zero and we should be able to see the load picked up on the metering we have for Cowlitz at our 115 kV POD for them at Longview. (the load is averaging under 2 Mws, so I doubt we will be able to tell this increase in your metered deliveries from the regular fluctuations, but the load increase will be captured by the meter cf).

The region and MCC can coordinate with Cowlitz to confirm when they have picked up the load fully and we can open up our switches at Longview.

Billing would like the agreement or letter to Cowlitz state that we will temporarily add the meter point to the Cowlitz NT contract specifically. It will appear as a line item on the December bill. Billing will also have to notify metering services as the meter to customer relationship is established there.

Unless I hear otherwise from you, I will draft up a short letter agreement and fax it to you for your consideration/signature.

Dave Fitzsimmons or Nancy Morgan will do likewise for the TBL, I believe.

Hope this works for all involved.

cf

503-230-3432

Cc: Morgan, Nancy E - TM-OPP-2; Johnson, Kelly G - TOC-PPO2-1
Subject: Longview Alum title transfer delayed

Looks like the August 14 target for transfer of title to Nootka (for the former Longview Alum lease/dock facilities, etc) has slipped to end of August.

A good thing in that a bit more time for Nootka to pursue service from Cowlitz.

We are told that Barry Oliver of Nootka is working with Lou Lock today and that Lou will be contacting Cowlitz PUD immediately regarding service.

Would you please let me know when Lou or someone contacts you so I can pass that along to others in BPA.

Thanks.

UNITED STEELWORKERS OF AMERICA
Five Gateway Center
Pittsburgh, PA 15222



Ron Bloom
Special Assistant to the President

Phone: (412) 562-2260

Fax: (412) 562-2260

email: rbloom@usa.com

FAX COVER SHEET

To: Michael Lynch
From: Ron Bloom
Date: January 3, 2007
Subject: Michigan Avenue Partners / Longview
Fax No: (708) 387-8940

There are 2 pages following this cover sheet.

A signed document is being mailed to you.

RB/dg
Attachment

This agreement (the "Agreement") made as of this 20th day of December 2000 by and between Michigan Avenue Partners LLC, a Delaware limited liability corporation with its principal place of business at 4900 First Avenue, McCook, Illinois, 60525, including any entity known as Michigan Avenue Partners (as well as any affiliate of Michigan Avenue Partners or any entity with which the principals of Michigan Avenue Partners is or has been associated or affiliated with), directly or indirectly owns or controls a material interest (any of the foregoing singly or in combination "MAP") and the United Steelworkers of America ("USWA" or the "Union").

WHEREAS MAP has informed the USWA that it intends to purchase or otherwise gain control (a "Purchase") of the aluminum smelting facility located in Longview, WA from Alcoa/Reynolds ("Longview" or the "Company"); and

WHEREAS MAP has indicated that after it gains control of Longview, the Company will resell electric power generated to it and use the net proceeds generated by such sales to secure the economic future of Longview and achieve other mutual objectives of the parties;

NOW THEREFORE in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency the parties hereto acknowledge, the parties agree as follows:

1. The USWA shall support the above-described activity by MAP and provide assistance to MAP in negotiating with the Bonneville Power Administration ("BPA"), the Department of Energy, or any other agency to conserve the sale and resale of power by the Company.
2. In the event MAP Purchases Longview and the Company directly or indirectly sells or resells electric power or takes any other actions such as but not limited to amending its contract with the BPA, buying or selling financial instruments whose underlying value is related to the price of power that would have the same or similar impact or be tantamount to the sale or resale of power (any of the foregoing singly or in combination a "Power Sale"), then the difference between the direct actual cost of the power that is sold and the gross proceeds received at any time of a Power Sale ("Net Proceeds") shall be used exclusively in the manner described below:

- A. During any Power Sale Period, all Employees of Longview (including those employees represented by the USWA on the Longview employee roster as of the date of the closing of the Purchase) shall be provided with either: (i) the opportunity to work a regular workweek; or (ii) (a) Special Supplemental Payments ("SSP") so that their income (including State Unemployment Insurance, if available) will be equal to what it would have been had they been working a regular workweek

JB
mww
12/20/00

and (b) benefits ("Benefits") that the employee would have received as defined in the current collective bargaining agreement between the USWA and Alcoa/Reynolds as it applies to Longview had the employee been employed on a regular, full-time basis. For the purposes of this Agreement, a regular workweek is defined as forty (40) straight time hours.

*Priority use
of the revenues*

The first use of the Net Proceeds, to the full extent required to satisfy the obligation described above, shall be to pay SSP and Benefits as described above.

For the purposes of this Agreement, a Power Sale Period is defined as any period in which Longview is operating at less than full capacity due, in whole or in part, directly or indirectly, to a Power Sale including but not limited to any period covered by an agreement with the BPA that involves curtailing Longview operations at any time from the date of this Agreement forward.

B. The remainder of the Net Proceeds shall, subject to the approval of the USWA, such approval to not be unreasonably withheld, be used for the following purposes:

*How is our
use provisions
circumvented by
these use
provisions?*

1. To cover or defray the fixed costs of continuing to operate and maintain the Longview Smelter including debt (principal and interest) directly related to Longview.
2. To invest in or otherwise create access to new generating capacity ("Generating Capacity") with such Generating Capacity used directly or indirectly to provide low-cost power to fully operate Longview in a long-term viable manner.
3. To defray that portion of the cost of purchased power that exceeds \$23.00 per megawatt hour.
4. Other purposes acceptable to the parties.

3. MAP shall be under no obligation to an Employee under paragraph 1 (A) above in the event and to the extent (i) that Employee does not avail himself of call-back or reassignment under the terms of the collective bargaining agreement including, where reasonable under all of the circumstances, work offered on the construction of a power generation facility or (ii) that Employee accepts full-time employment outside Longview.

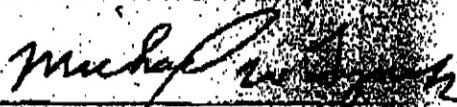
*B mme
12/20/0*


4. The parties shall work together to structure a mutually acceptable and efficient way to structure the Purchase and Power Sales, including the ownership and capital structure of Longview and any new Generating Capacity.
5. This Agreement shall be interpreted and construed in accordance with the laws of the State of Illinois, excluding its choice of law provisions. Any dispute arising to or arising out of this Agreement, shall be heard by a state or federal court of competence located in the Northern District of Illinois.
6. This Agreement is the entire agreement between the parties relating to the subject matter contained herein. No modification or alteration of the terms contained in this Agreement shall be of any force or effect unless such modification or alteration is by mutual written agreement.
7. Failure of either party to enforce any of the provisions of this Agreement or its rights with respect thereto, or failure to exercise any election provided for herein, shall in no way be considered a waiver of such provisions, rights or elections in the future nor shall prejudice such party from later enforcing or exercising the same or any other provisions.
8. If any term or provision of this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not effect the other terms or provisions hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest possible extent the intent and agreements of the parties herein set forth.

IN WITNESS WHEREOF, the parties hereto, each by a duly authorized representative, have caused this Agreement to be executed on the date first mentioned above.

MICHIGAN AVENUE PARTNERS

UNITED STEELWORKERS OF AMERICA


Michael W. Lynch
Chairman

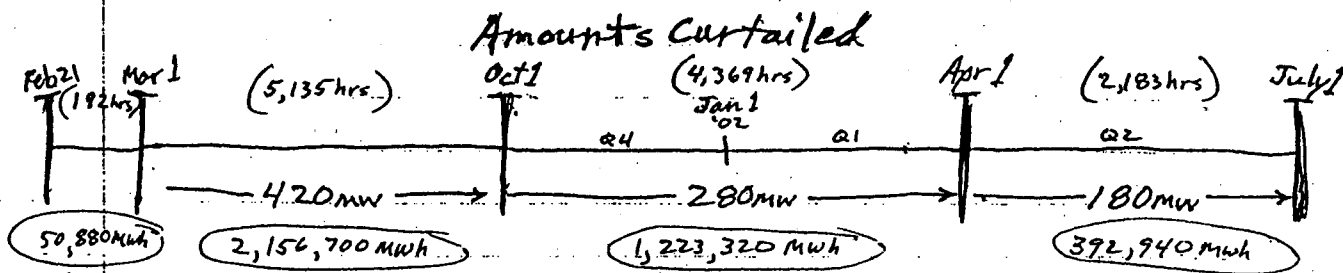

George Becker
International President

JB mwr
2/26/00

Confidential

for Internal Use
Only

McCook deal as of 2/15/01, Notes
(assumes McCook takes possession 2/21/01)



Ramp Down
Feb 21 through Feb 28 amount

125 mwe's down from Alcoa curtailment
40 mwe's reduced from Reynolds schedule (420 → 380)
165 mwe • subtotal
100 mwe • estimated average mwe curtailed in Rampdown
265 mwe • Total average over 8 days

month	Amount
① 3/20/01 for Feb	\$17,000,000
② 4/20/01 for Mar	\$19,452,380
③ 5/20/01 for April	\$21,869,047
④ 6/20/01 for May	\$21,869,047
⑤ 7/20/01 for June	\$21,869,047
⑥ 8/20/01 for July	\$21,869,047
⑦ 9/20/01 for Aug	\$21,869,047
⑧ 10/20/01 for Sept	\$21,869,047
⑨ 11/20/01 for Oct	\$14,583,333
⑩ 12/20/01 for Nov	\$14,583,333
⑪ 1/20/02 for Dec	\$14,583,333
⑫ 2/20/02 for Jan	\$14,583,339

PRICES

PRICES

Feb 21 through Sept '01 = \$102.37/mwh

Feb 21 through June '02 = \$59.10/mwh

- Assuming \$226,000,00 total payments
- assuming IP must be added to prices for total BPA cost
- assuming no time value of money adjustment

TOTAL 226,000,000

- ① Longview pays IP for power consumed during rampdown.
- ② Longview buys Station Service Power @ \$100/mwh, starting March 1st
- ③ Longview pays market index price for any uncurtailed power after Feb 28th.

Note: Billing Account need to be set up internally for Longview.



McCOOK METALS LLC

ISO 9001

FAX TRANSMISSION

Date 1/19/01

Number of pages including cover sheet 2

TO: Mark Miller

Phone

Fax Phone (503) 230-3681

FROM: John Kolleng

McCook Metals

Phone (708) 387-8523

Fax Phone (708) 387-8919

REMARKS: ☐ Urgent ☐ For your review ☐ Reply ASAP ☐ Please Comment

Longview Aluminum Company, LLC

January 19, 2001

Mr. Stephen J. Wright
Acting Administrator
Bonneville Power Administration
905 N.E. 11th Avenue
Portland, OR 97232

Dear Mr. Wright:

As you know, Longview Aluminum Company, LLC (Longview Aluminum) and the Bonneville Power Administration (BPA) have executed a Curtailment Agreement pursuant to which Longview Aluminum, the Pacific Northwest steelworkers employed at the Longview Smelter, and BPA will share in the benefits created from the curtailment of power by Longview Aluminum at the Longview smelter through March 31, 2002.

As we indicated many times during our negotiations regarding the Curtailment Agreement, Longview Aluminum firmly believes that the long-term viability of the Longview smelter hinges on Longview Aluminum's ability to successfully finance, construct, and operate our own power supply resources. The Curtailment Agreement is but one step toward making our goal of the energy independence a reality. We believe our commitment to this goal is reflected in our pledge in the Curtailment Agreement not to argue in any legal or political forum that Longview Aluminum has a statutory right to, or should be allocated, any direct or indirect service of Federal power after September 30, 2006. We understand that Longview Aluminum's commitment to forego Federal power service after September 30, 2006 is important to other Pacific Northwest customers of BPA. In addition to our pledge in the Curtailment Agreement, Longview Aluminum stands ready to support legislation prohibiting BPA from serving, directly or indirectly, the Longview smelter or any other Pacific Northwest load of Longview Aluminum, or any other subsidiary or affiliate of Michigan Avenue Partners, after September 30, 2006.

Sincerely,



John L. Kolleng
Vice Chairman & General Counsel

JLK/rs



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

February 23, 2001

In reply refer to: PT-5

VIA FACSIMILE

Mr. Frederic Ragucci
Ms. Paige Purcell
Schulte Roth & Zabel LLP
919 Third Avenue
New York, New York 10022

Re: Longview Aluminum Closing Documents

Dear Mr. Ragucci and Ms. Purcell:

Please find attached to this fax transmission the following documents, signed by the Bonneville Power Administration (BPA):

- 1) The Curtailment Agreement, Contract No. 01PB-10786;
- 2) The 1996 Power Sales Agreement, Contract No. 01PB-10768;
- 3) The 2001 Power Sales Agreement, Contract No. 01PB-10769, and
- 4) The Assignment by Reynolds Metals Company and Alcoa, Inc., to Longview Aluminum, LLC.

BPA has signed the signature page to the Curtailment Agreement. However, BPA has not executed Exhibit B, Tables 2 – 4, to the Curtailment Agreement, but will do so by fax when dollar figures are provided to BPA for each of those tables. Likewise, BPA will sign and deliver to you by fax the Consent, Contract No. 01PB-10790, when dollar figures are provided for Schedule A to that agreement.

In addition, BPA will sign and deliver by fax to you a copy of the BPA's Acting General Counsel's Opinion Letter when we receive notification from the closing that all the documents referenced in that letter have been finalized. Also, BPA will sign and fax to you the two Acknowledgements to the Notice of Assignment when we receive a faxed copy of the Assignment of Moneys Due Or To Become Due.

None of the preceding documents should be deemed delivered until: 1) a representative at the closing has notified me by phone the closing is final, and 2) I have faxed to you a statement that each of the above referenced documents should be deemed delivered. For further questions, please call 503-230-4003. My fax is 503-230-3681 and e-mail is memiller@bpa.gov.

Sincerely,

A handwritten signature in cursive script, reading "Mark E. Miller", is located below the "Sincerely," text.

Mark E. Miller
Account Executive

cc: Mr. Jeff Smith, Esq., Patton Boggs LLP, (by e-mail)



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

27 mm
February 26, 2001

In reply refer to: PT-5

VIA FACSIMILE

Ms. Paige Purcell
Schulte Roth & Zabel LLP
900 Third Avenue
New York, New York 10022

Re: Longview Aluminum Closing Documents

Dear Ms. Purcell:

Based upon the representation I received by phone from your office that the closing is final, please deem delivered the following documents:

- 1) The 1996 Power Sales Agreement, Contract No. 01PB-10768;
- 2) The 2001 Power Sales Agreement, Contract No. 01PB-10769;
- 3) The Assignment by Reynolds Metals Company and Alcoa, Inc. to Longview Aluminum, LLC;
- 4) The Curtailment Agreement, Contract No. 01PB-10786, including Tables 2-4;
- 5) The Consent, Contract No. 01PB-10790;
- 6) The Opinion Letter;
- 7) The two Acknowledgements to the Notice of Assignment.

If you have questions, please call me at 503-230-4003.

Sincerely,

A handwritten signature in cursive script, reading "Mark E. Miller", is located below the "Sincerely," text.

Mark E. Miller
Account Executive



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

GENERAL COUNSEL

February 23, 2001

In reply refer to: L-7

To the Administrative Agent, the Funding Agent and each of the Lenders party to the Loan Agreement referred to below:

To Longview Aluminum, LLC:

Ladies and Gentlemen:

I am counsel to the Bonneville Power Administration (the "BPA"), which is a Federal agency within the Department of Energy, United States. I have been informed by Longview Aluminum, LLC, a Delaware limited liability company (the "Borrower"), that it is engaged in transactions with respect to (A) the acquisition and/or lease (the "Acquisition") by the Borrower of substantially all of the assets comprising the Longview primary aluminum reduction plant (the "Facility") located on the Columbia River in Longview, Washington pursuant to the Asset Purchase Agreement between the Borrower and Reynolds Metals Company, a Delaware corporation (the "Seller"), dated December 22, 2000, as amended by a First Amendment (the "Purchase Agreement"), (B) the Curtailment Agreement dated February 21, 2001, between the BPA and the Borrower, Contract Number: 01PB-10786 (the "Curtailment Agreement") and (C) the making of a loan (the "Loan") to the Borrower pursuant to a Loan Agreement (the "Loan Agreement"), by and among the Borrower, the lenders named therein (the "Lenders"), and Ableco Finance LLC, as administrative agent, collateral agent and funding agent (in such capacities, the "Administrative Agent" and the "Funding Agent") for the Lenders.

I have been asked to render certain opinions, as set forth herein, in connection with the execution of the Curtailment Agreement, referenced above. In that connection, I have reviewed such records and documents as I have deemed appropriate as a basis for the opinions hereinafter expressed; and I have made such investigations of law as I have deemed appropriate as a basis for the opinions hereinafter expressed. My review has included a review of the following documents (such documents are referred to individually as a "BPA Document" and collectively as the "BPA Documents" and the transactions contemplated by such BPA Documents are referred to collectively as the "BPA Transactions"):

1. The Curtailment Agreement;
2. The Consent dated as of the date hereof between the BPA and the Administrative Agent (the "Consent");

3. The Power Sales Agreement between the BPA and the Borrower dated February 23, 2001 and numbered Contract No. 01PB-10768 (the "1996 Agreement");
4. The Block Power Sales Agreement between the BPA and the Borrower dated February 23, 2001, and numbered Contract No. 01PB-10769 (the "2001 Agreement");
5. The Assignment executed by Reynolds Metals Company ("Reynolds"), Alcoa Inc. ("Alcoa") and the Borrower dated as of the date hereof and countersigned by the BPA pursuant to which Reynolds assigns to the Borrower its right to 420 megawatts of Contract Demand under Contract No. 95MS-94865 and Alcoa assigns to the Borrower 280 megawatts of Firm Power under Contract No. 00PB-12196 (the "Alcoa Assignment");
6. The Assignment of Moneys Due Or To Become Due dated as of the date hereof and executed by the Borrower and the Administrative Agent pursuant to which the Borrower assigns to the Administrative Agent for the benefit of the Lenders certain moneys due to or become due under the Curtailment Agreement (the "Assignment of Moneys Due"), a fully executed copy of which is attached hereto as Exhibit A;
7. The Notice of Assignment dated as of the date hereof executed by the Administrative Agent (the "Notice of Assignment"), a fully executed copy of which is attached hereto as Exhibit B;
8. The Acknowledgement of receipt of the Notice of Assignment dated as of the date hereof executed by Mark Miller of the BPA, as the contracting officer for the Curtailment Agreement, or Stephen Wright, as the Acting Administrator of the BPA (the "First Acknowledgement"); and
9. The Acknowledgement of receipt of the Notice of Assignment dated as of the date hereof executed by Mike Caldwell of the BPA, as the disbursing officer of the BPA (the "Second Acknowledgement").

My opinions assume the genuineness of signatures on original documents of all persons other than officers and any other representatives of the BPA and the conformity to the original of all copies submitted to us as photocopies or conformed copies. With your consent, we have also assumed that the Administrative Agent and the Lenders are financing institutions in the business of making commercial loans and that the Administrative Agent is the agent for the Lenders.

Based on, and subject to the foregoing, I am of the opinion that:

1. The office of Administrator of the BPA (the "Administrator") was duly established by and is validly existing under the Bonneville Project Act of 1937, Pub. L. No. 75-329.

2. The execution, delivery and performance by the BPA of its obligations under each of the BPA Documents and the consummation by the BPA of the BPA Transactions contemplated thereby has been duly authorized by the BPA and the Administrator, acting within the power and authority accorded to the Administrator under federal law. Except as set forth in paragraph 7 below, no order, consent, approval, license, authorization or validation of, or filing, recording or registration with, or exemption or other action by, and no notice to any governmental authority is required in connection with the due execution, delivery and performance by the BPA of any BPA Document or the consummation by the BPA of any of the BPA Transactions contemplated thereby. Either of Stephen Wright or Mark Miller and (in the case of the Second Acknowledgement) Mike Caldwell are duly authorized to execute and deliver each of the BPA Documents in the name of and on behalf of the BPA and each of the BPA Documents has been duly executed by Stephen Wright, Mark Miller or Mike Caldwell, as the case may be.

3. The BPA and the Administrator are duly authorized to consent to (i) any assignments by the Borrower to the Administrative Agent of moneys due or to become due by the BPA to the Borrower pursuant to the Curtailment Agreement for purposes of securing loans by the Lenders to the Borrower, and (ii) any grants by the Borrower to the Administrative Agent for the benefit of the Lenders of a security interest in the Curtailment Agreement for the purpose of securing loans by the Lenders to the Borrower. By paragraph 11(d) of the Curtailment Agreement, the BPA agreed to and approved the right of the Borrower to make an assignment or assignments of moneys due or to become due by the BPA to the Borrower pursuant to the Curtailment Agreement to any bank, trust company, or other financing institution or its (their) agents for the purpose of securing any loans they may make to the Borrower the proceeds of which are used for Qualified Expenditures (as such term is defined in the Curtailment Agreement). Such assignment is consistent with and otherwise meets any applicable requirements of the Assignment of Claims Act of 1940 as codified in 31 U.S.C. § 3727 and 41 U.S.C. § 15 (the "Assignment of Claims Act"). To the best of my knowledge, there are no regulations promulgated pursuant to the Assignment of Claims Act which apply to such an assignment by the Borrower to the Administrative Agent. •

4. Assuming due authorization, execution and delivery of each of the BPA Documents by the other parties thereto, each of the BPA Documents constitutes a legal and valid obligation of the BPA enforceable in accordance with its terms. The foregoing opinion with respect to enforceability is qualified as to:

(a) limitations imposed by, to the extent applicable, bankruptcy laws of the United States, insolvency, reorganization, arrangement, moratorium, or other laws relating to or affecting the enforcement of creditors' rights generally (under existing law, the BPA cannot be a debtor in a case commenced under the United States Bankruptcy Code);

(b) general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law; and

(c) the exercise of judicial discretion in appropriate cases and the limitations on legal remedies against the United States under Federal law (under existing law, the BPA is subject to suit for money damages in the United States Court of Federal Claims).

5. The execution and delivery by the BPA of each of the BPA Documents, the performance by the BPA of its obligations thereunder and the consummation by the BPA of the BPA Transactions contemplated thereby, including compliance with the provisions thereof applicable to the BPA, does not conflict with or constitute a breach of, or default under, any constitutional provision, law or administrative regulation, or under any judgment, decree, loan agreement, indenture, bond, note, resolution or other instrument to which the BPA is a party in effect as of the date hereof, or to which the BPA or any of its property or assets is subject.

6. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending, or, to the best of my knowledge, threatened, against the BPA affecting the existence of the BPA or the office of Administrator, or contesting or affecting the validity or enforceability of any of the BPA Documents; and to the best of my knowledge, there is no basis for any such action, suit, proceeding, inquiry, or investigation wherein an unfavorable decision, ruling or finding would materially adversely affect the validity, enforceability or performance by the BPA of any of the BPA Documents.

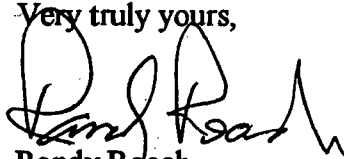
7. Stephen Wright is the Acting Administrator of the BPA, Mark Miller is the BPA contracting officer for the Curtailment Agreement, and Mike Caldwell is the disbursing officer of the BPA. By signing below, I acknowledge that each of Mark Miller or Stephen Wright and Mike Caldwell have received fully executed originals (or facsimiles with an agreement to send originals overnight) of each of the Assignment of Moneys Due and the Notice of Assignment and have acknowledged such receipt by executing the First Acknowledgment and the Second Acknowledgement, respectively. Assuming (i) the execution, delivery and performance of each of the Assignment of Moneys Due and the Notice of Assignment has been duly authorized by the Borrower and the Administrative Agent, as the case may be, and (ii) each of the Assignment of Moneys Due and the Notice of Assignment has been duly executed and delivered by the Borrower and the Administrative Agent, the Borrower and the Administrative Agent have taken all actions necessary to comply with the Assignment of Claims Act and the Borrower has effectively assigned to the Administrative Agent under the Assignment of Claims Act the rights to moneys due and to become due from the BPA to the Borrower and assigned by the Borrower to the Administrative Agent pursuant to the Assignment of Moneys Due.

8. Under the Tucker Act, the BPA is subject to the jurisdiction of the Court of Federal Claims. The so-called "non-appropriated funds" exception to the jurisdiction of the Court of Federal Claims under the Tucker Act does not apply to the BPA. Section 14 of the Curtailment Agreement, which contains provisions regarding governing law and dispute resolution, is enforceable in accordance with its terms. If there is an arbitration proceeding conducted pursuant to section 14 of the Curtailment Agreement and the arbitrators make an

award against the BPA for the payment of monies, such arbitrators' award is enforceable against the BPA. The United States Court of Federal Claims has jurisdiction to render judgment in money damages over claims against the United States founded upon express or implied contract. The BPA is part of an agency of the United States that is subject to such jurisdiction.

I disclaim any obligation to update this Opinion for events occurring after the date hereof.

Very truly yours,

A handwritten signature in black ink, appearing to read "Randy Roach", with a stylized flourish at the end.

Randy Roach
Acting General Counsel

Longview Aluminum, LLC
Union Payment Summary
(in thousands)

	Union Payments		Company Account	Debt Service	Remaining Cash	Total
	\$	-	\$	-	\$	\$
2001						
20-Jan						-
20-Feb						-
20-Mar	3,800.000		4,097.500	9,102.500	-	17,000.000
20-Apr	1,750.000		1,447.500	16,254.880	-	19,452.380
21-May	1,750.000	*	1,447.500	18,671.547	-	21,869.047
20-Jun	1,666.667		2,530.833	17,671.547	-	21,869.047
20-Jul	1,750.000		1,447.500	18,671.547	-	21,869.047
20-Aug	1,750.000		1,447.500	18,671.547	-	21,869.047
20-Sep	1,666.667		2,530.833	17,671.547	-	21,869.047
22-Oct	3,100.000	*	1,447.500	17,321.547	-	21,869.047
20-Nov	3,100.000		1,447.500	10,035.833	-	14,583.333
20-Dec	3,016.667		2,530.833	9,035.833	-	14,583.333
Subtotal	23,350.000		20,375.000	153,108.328	-	196,833.328
2002						
21-Jan	3,200.000		1,447.500	9,935.833	-	14,583.333
20-Feb	3,200.000		1,447.500	4,061.392	5,874.447	14,583.339
Subtotal	6,400.000		2,895.000	13,997.225	5,874.447	29,166.672
Total	\$ 29,750.000		\$ 23,270.000	\$ 167,105.553	\$ 5,874.447	\$ 226,000.000

Notes:

* Since the 20th of the month falls on a weekend, payment will be made the following Monday.

TABLE 1--TOTAL PAYMENT SCHEDULE CONTRACT NO. 01PB-10786 CONTRACT NO. 01PB-10786
TABLE 2--PAYMENT SCHEDULE TABLE 3--PAYMENT SCHEDULE
FOR BORROWER UNION ACCOUNT FOR FUNDING AGENT ACCOUNT

Date	Amount
20-Mar-01	\$17,000,000
20-Apr-01	\$19,452,380
20-May-01	\$21,869,047
20-Jun-01	\$21,869,047
20-Jul-01	\$21,869,047
20-Aug-01	\$21,869,047
20-Sep-01	\$21,869,047
20-Oct-01	\$21,869,047
20-Nov-01	\$14,583,333
20-Dec-01	\$14,583,333
20-Jan-02	\$14,583,333
20-Feb-02	\$14,583,339
TOTAL	\$226,000,000

Date	Amount*
20-Mar-01	\$3,800,000
20-Apr-01	\$1,750,000
21-May-01	\$1,750,000
20-Jun-01	\$1,666,667
20-Jul-01	\$1,750,000
20-Aug-01	\$1,750,000
20-Sep-01	\$1,666,667
22-Oct-01	\$3,100,000
20-Nov-01	\$3,100,000
20-Dec-01	\$3,016,666
21-Jan-02	\$3,200,000
20-Feb-02	\$3,200,000

TOTAL \$29,750,000

Date	Amount
20-Mar-01	\$9,102,500
20-Apr-01	\$16,254,880
21-May-01	\$18,671,547
20-Jun-01	\$17,671,547
20-Jul-01	\$18,671,547
20-Aug-01	\$18,671,547
20-Sep-01	\$17,671,547
22-Oct-01	\$17,321,547
20-Nov-01	\$10,035,833
20-Dec-01	\$9,035,833
21-Jan-02	\$9,935,833
20-Feb-02	\$4,061,392

TOTAL \$167,105,553

CONTRACT NO. 01PB-10786
TABLE 4--PAYMENT SCHEDULE
FOR SECURITIES ACCOUNT

Date	Amount*
20-Mar-01	\$4,097,500
20-Apr-01	\$1,447,500
21-May-01	\$1,447,500
20-Jun-01	\$2,530,833
20-Jul-01	\$1,447,500
20-Aug-01	\$1,447,500
20-Sep-01	\$2,530,833
22-Oct-01	\$1,447,500
20-Nov-01	\$1,447,500
20-Dec-01	\$2,530,834
21-Jan-02	\$1,447,500
20-Feb-02	\$7,321,947
TOTAL	\$29,144,447

2/28/01

ASSIGNMENT

WHEREAS, Longview Aluminum, LLC, a Delaware limited liability company ("Longview"), and Reynolds Metals Company, a Delaware corporation ("Reynolds"), entered into an Asset Purchase Agreement dated December 22, 2000, as amended (the "Asset Purchase Agreement"), which provides for Longview to acquire and/or lease from Reynolds substantially all of the assets comprising the Longview primary aluminum plant located in Longview, Washington, (the "Smelter") and related assets and contractual rights and obligations (the "Acquisition"); and

WHEREAS, the United States of America, Department of Energy, acting by and through the Bonneville Power Administration ("BPA") and Reynolds entered into a Power Sales Agreement on September 28, 1995 and numbered Contract No. 95MS-94865, as the same has been amended from time to time (the "Reynolds 1996 Agreement"), which agreement provides for the sale of power by BPA to Reynolds and the provision of transmission services by BPA to Reynolds during the period from October 1, 1996, through September 30, 2001 for use at, among other locations, the Smelter; and

WHEREAS, BPA and Alcoa Inc., a Pennsylvania corporation ("Alcoa"), entered into a Block Power Sales Agreement on October 31, 2000 and numbered Contract No. 00PB-12196 (the "Alcoa 2001 Agreement"), which agreement provides for the sale of power by BPA to Alcoa during the period from October 1, 2001, through September 30, 2006 for use at, among other locations, the Smelter; and

WHEREAS, in connection with the Acquisition, Reynolds desires to assign and transfer to Longview a portion of its rights under the Reynolds 1996 Agreement and Alcoa desires to assign and transfer to Longview a portion of its rights under the Alcoa 2001 Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, each of Reynolds and Alcoa does hereby assign, convey and transfer to Longview all of its right, title and interest in and to (i) 420 megawatts ("MW") of Contract Demand (as such term is defined in the Reynolds 1996 Agreement) on every hour and the energy associated with such Contract Demand on and subject to the terms of the 1996 Agreement and for the remainder of the term of the Reynolds 1996 Agreement, thereby reducing Reynolds' Contract Demand amount by 420 MW, and (ii) 280 MW of Firm Power (as such term as defined in the Alcoa 2001 Agreement) on every hour on and subject to the terms of the Alcoa 2001 Agreement and for the entire term of the Alcoa 2001 Agreement, thereby reducing Alcoa's Firm Power amount by 280 MW.

By signing below, each of Reynolds and Alcoa agrees that (i) Reynolds shall execute and deliver to BPA an amendment to the Reynolds 1996 Agreement to reduce the Contract Demand by 420 MW on every hour and the energy associated with such Contract Demand for the period from the date this Assignment is executed by Reynolds through September 30, 2001, (ii) Alcoa shall execute and deliver to BPA an amendment to the Alcoa 2001 Agreement to reduce the Firm Power by 280 MW on every hour for the entire term of the Alcoa 2001 Agreement, (iii) the assignments from Reynolds and Alcoa to Longview pursuant to this Assignment shall be effective, notwithstanding any failure by Reynolds and/or Alcoa to execute and deliver the amendments contemplated by clauses (i) and (ii) of this paragraph, and (iv) Reynolds and Alcoa shall remain liable to BPA under the Reynolds 1996 Agreement or the Alcoa 2001 Agreement for any charges which accrued or events which occurred prior to the date hereof.

By signing below, BPA hereby (i) consents to the assignments effectuated hereby, and (ii) agrees and confirms that, as a result of Longview's acquisition of the Smelter and the assignments effectuated hereby, Longview becomes a direct service customer of BPA for all purposes of federal law and BPA policies and procedures.

By signing below, Longview agrees that it will give written notice to Alcoa in the event that the Ground Lease dated as of the date hereof between Longview and Alcoa terminates pursuant to Section 15 thereof, provided, however, that Longview shall not, in any event, provide such notice on any date prior to 22 months from the date

hereof, even if such Ground Lease has terminated prior to 22 months from the date hereof. Within 30 days of receiving any such notice from Longview, Alcoa shall provide a written notice to Longview advising Longview as to whether Alcoa desires to be assigned Block Power Sales Agreement Contract No. 01PB-10769 (a copy of which has been provided to Alcoa), which sets forth Longview's rights with respect to the 280 megawatts of Firm Power on every hour which Alcoa has assigned to Longview pursuant to this Assignment from Alcoa's rights under the Alcoa 2001 Agreement. If Alcoa notifies Longview that it desires such assignment, Longview shall assign to Alcoa its rights and Alcoa agrees to assume its obligations under Block Power Sales Agreement Contract No. 01PB-10769 (the "Longview 2001 Agreement") pursuant to such documentation as Longview and Alcoa shall mutually agree upon and subject to the consent of BPA, which consent shall not be unreasonably withheld.

This Assignment shall become effective on the date it is executed and delivered by Reynolds and Alcoa. This Assignment may be executed in counterparts, each of which shall constitute an original and which together shall constitute one and the same agreement.

REYNOLDS METALS COMPANY

By: _____

Its: _____

Date: _____

ALCOA INC.

By: _____

Its: _____

Date: _____

LONGVIEW ALUMINUM, LLC

By: _____

Name: _____

Its: _____

Date: _____

ACKNOWLEDGED AND ACCEPTED:

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By: _____

Name: _____

Its: _____

Date: _____

**JOINT UNANIMOUS WRITTEN CONSENT
OF THE MEMBERS AND THE BOARD OF MANAGERS
LONGVIEW ALUMINUM, LLC**

The undersigned, being all of the Members and Managers of LONGVIEW ALUMINUM, LLC, a Delaware limited liability company (the "Company"), do hereby consent to, authorize and adopt the following resolutions, with the same force and effect as if the undersigned had been present at a meeting of the Members or the Board of Managers of the Company, as the case may be, and had voted for the same:

WHEREAS, the Company has entered into that certain Asset Purchase Agreement dated as of December 22, 2000 (the "Asset Purchase Agreement") by and between Reynolds Metals Company ("RMC") and the Company, as amended by a First Amendment to Asset Purchase Agreement dated as of February 26, 2001 (the "First Amendment") and any related exhibits, documents and instruments referred to therein, related to the purchase of certain assets owned and used by RMC in connection with the business of the manufacture of aluminum and other products at the Longview Reduction Plant located in Longview, Washington (collectively, referred to as the "Longview Purchase Documents"); and

WHEREAS, it has been approved that the Company finance the purchase of the Longview Reduction Plant by incurring indebtedness up to \$155,000,000 in principal amount substantially on the terms and conditions set forth in the Loan Agreement (the "Loan Agreement") among the Company as Borrower, certain Initial Lenders (the "Initial Lenders"), Ableco Finance LLC ("Administrative Agent"), as Administrative Agent, and as Funding Agent ("Funding Agent") (the Initial Lenders and such other Persons that become a party to the Loan Agreement referred to collectively as the "Lenders"), and all related documents and instruments referred to therein, (the "Loan Documents"); and

WHEREAS, pursuant to the Longview Loan Documents, the Company deems it advisable to enter into that certain Assignment of Moneys Due or to Become Due, to be executed by Longview Aluminum, LLC, as Assignor and Ableco Finance LLC, as Administrative Agent and Assignee (the "Assignment"), a copy of which has been delivered to each of the undersigned;

NOW, THEREFORE BE IT RESOLVED, that the Members and the Managers of the Company do hereby approve and authorize the Assignment, in substantially the same form as provided; and

FURTHER RESOLVED, that any and each of the Chairman, Vice-Chairman, Chief Executive Officer, Chief Operating Officer, any Vice President, Chief Financial Officer, Secretary and Assistant Secretary of the Company, or any other person from time to time designated by the Board of Managers of the Company (each such person being hereinafter referred to as "Designated Person"), is hereby authorized, directed and empowered now and from time to time hereafter to make, execute and deliver for and on behalf of and in the name of the Company the Assignment, in the form presented to the

Members and the Board of Managers on the date hereof, with such changes therein as the Designated Person executing and delivering the same may approve, such approval to be conclusively evidenced by such execution and delivery, and any other such documents, instruments and agreements or others, as he may in his sole discretion deem advisable, necessary, expedient, convenient or proper; and

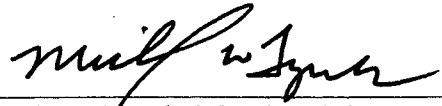
FURTHER RESOLVED, that Designated Person is hereby authorized, directed and empowered to do and perform all acts and things he deems advisable, necessary, expedient, convenient or proper in order to consummate fully all of the transactions contemplated under the Assignment or these resolutions; and

FURTHER RESOLVED, that this consent hereby ratifies, approves and confirms any and all acts and things that Designated Person has done or may do in any way relating to or arising from or in connection with the Assignment and these resolutions and such acts and things of Designated Person shall at all times receive full faith and credit by Lenders without the necessity of inquiry by Lenders; and

FURTHER RESOLVED, that the Chairman, the Vice-Chairman, the Chief Executive Officer, the Chief Operating Officer, any Vice President, the Chief Financial Officer, the Secretary or any Assistant Secretary of the Company is hereby authorized and directed to certify and furnish a copy of these resolutions, as required.

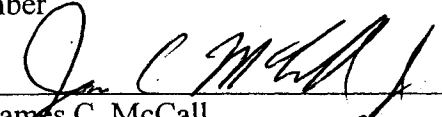
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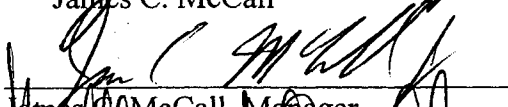
IN WITNESS WHEREOF, the undersigned, being all of the Members and Managers of the Company, have executed this Joint Unanimous Written Consent as of the 26th day of February, 2001.

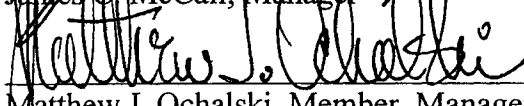

Michael W. Lynch, Member, Manager


Dominic Forte, Member, Manager

McCALL ENTERPRISES, L.L.C.,
Member

By: 
James C. McCall


James C. McCall, Manager


Matthew J. Ochalski, Member, Manager


John L. Kolleng, Member, Manager

ASSIGNMENT OF MONEYS DUE OR TO BECOME DUE

THIS ASSIGNMENT OF MONEYS DUE OR TO BECOME DUE (this "Assignment") is entered into as of the 31st day of February, 2001, among **LONGVIEW ALUMINUM, LLC**, a Delaware limited liability company (the "Assignor"), with its principal office located at 4900 First Avenue, McCook, Illinois, 60525-3294, and **ABLECO FINANCE LLC**, a Delaware limited liability company (the "Assignee"), with a place of business at 450 Park Avenue, 28th Floor, New York, New York 10022, as administrative agent and collateral agent for certain financing institutions (such financing institutions, together with their respective successors and assigns, each a "Lender" and collectively, the "Lenders").

WITNESSETH:

WHEREAS, the Lenders have agreed to provide financing of up to \$155,000,000 to finance the acquisition and/or lease from Reynolds Metals Company, a Delaware corporation, of substantially all of the assets comprising the Longview primary aluminum reduction plant located on the Columbia River in Longview, Washington (the "Facility") and certain contractual rights and obligations related thereto (such acquisition and/or lease, the "Acquisition") and to pay certain fees and expenses relating to the Acquisition and the financing thereof, pursuant to the Loan Agreement by and between the Assignor, the Assignee, the Funding Agent named therein, and the Lenders, dated as of February 26, 2001, as such agreement may be modified, amended, extended, restated or renewed from time to time (the "Loan Agreement");

WHEREAS, it is a condition of the Loan Agreement and of the financing provided by the Lenders to the Borrower thereunder, that the Assignor assign to the Assignee, for the benefit of the Lenders, all of the Assignor's right, title and interest in and to certain moneys due and moneys to become due to the Assignor by, under or pursuant to the terms of the Curtailment Agreement dated February 21, 2001, between the Assignor and the United States of America, Department of Energy, acting by and through the Bonneville Power Administration (the "Government"), Contract Number: 01PB-10786, as such contract may be amended or otherwise modified from time to time (herein called the "Subject Contract"); and

WHEREAS, the Assignor has agreed to assign to the Assignee, for the benefit of the Lenders, all of its right, title and interest in and to certain moneys due and moneys to become due under the Subject Contract to the Assignor from the Government, all in conformity with the Assignment of Claims Act of 1940, as amended, 31 U.S.C. §3727, 41 U.S.C. §15 (the "Act").

NOW, THEREFORE:

The Assignor does hereby assign, transfer, grant, convey and confirm unto the Assignee, for the benefit of the Lenders, all of its right, title and interest in and to the certain moneys due and moneys to become due to the Assignor from the Government under the Subject Contract (all such assigned moneys due and moneys to become due being set forth in Schedule I hereto and herein collectively described as the "Assigned Moneys") to have, use and to hold the Assigned Moneys and all proceeds thereof unto the Assignee, for the benefit of the Lenders, and its legal successors in interest to its and their proper use and to exercise the same rights with

respect thereto as the Assignor holds. All such Assigned Moneys shall be paid to the account specified in Schedule II hereto.

The obligations of the Assignor to the Assignee and the Lenders are the payment and performance of all Obligations, as that term is defined in the Loan Agreement, and any other collateral and supporting documents executed in conformity therewith (collectively, the "Loan Documents").

The Assignor hereby warrants and represents to the Assignee that:

- (a) It is the sole owner of the entire right, title and interest in and to the Assigned Moneys coming due under the Subject Contract, free and clear of any other assignments and of all liens, security interests and encumbrances of every kind and nature;
- (b) It has full power and authority to enter into this Assignment;
- (c) It has not granted and will not grant any other assignment, under the provisions of the Act or otherwise, of the Assigned Moneys, or any right relating thereto of any kind, either oral or written, to any other person;
- (d) The Subject Contract is described by the correct Contract Number in the recitals hereto. The Assignor will maintain the Subject Contract in full force and effect until expiration or termination by the Government, except as it is prevented from so doing by law or by judgment of any court or competent jurisdiction;
- (e) Except as provided in the Act, none of the Assigned Moneys under the Subject Contract is subject to any prohibition or restriction against assignment to the Assignee and the Subject Contract does not contain any provision forbidding an assignment of moneys due or to become due under the Subject Contract;
- (f) Monies loaned by the Lenders will be used to pay the purchase price for the Acquisition and the other fees, costs and expenses incurred in connection with the Acquisition and the financing thereof, and each such use of proceeds constitutes Qualified Expenditures, as such term is defined in the Subject Contract.

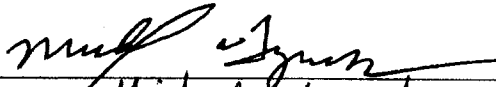
The Assignee shall have, in addition to all other rights against the Subject Contract provided herein, the rights and remedies of a secured party under the Uniform Commercial Code in effect in the State of New York. The Assignee's rights and remedies under this Assignment will be cumulative and not exclusive of any other right or remedy which the Assignee may have.

This Assignment may be executed in counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

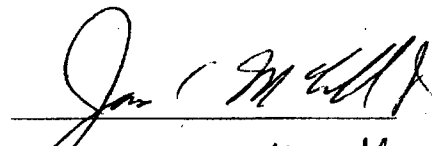
This Assignment shall be construed and enforced under the laws of the State of
New York.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their respective officers or other representatives thereunto duly authorized, as of the date first above written.

LONGVIEW ALUMINUM, LLC, as Assignor

By: 
Name: Michael Lynch
Title: Chairman

ATTEST:


Name: James McCall
Title: Secretary
Asst.

ABLECO FINANCE LLC, as Administrative Agent
and as Assignee

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their respective officers or other representatives thereunto duly authorized, as of the date first above written.

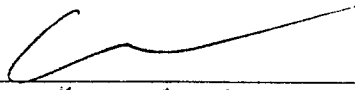
LONGVIEW ALUMINUM, LLC, as Assignor

By: _____
Name: _____
Title: _____

ATTEST:

Name: _____
Title: Secretary

ABLECO FINANCE LLC, as Administrative Agent
and as Assignee

By:  _____
Name: Kevin Genda
Title: Senior Vice President

SCHEDULE 1

SCHEDULE OF ASSIGNED PAYMENTS

<u>Date</u>	<u>Amount</u>
March 20, 2001	\$9,102,500
April 20, 2001	\$16,254,880
May 20, 2001	\$18,671,547
June 20, 2001	\$17,671,547
July 20, 2001	\$18,671,547
August 20, 2001	\$18,671,547
September 20, 2001	\$17,671,547
October 20, 2001	\$17,321,547
November 20, 2001	\$10,035,833
December 20, 2001	\$9,035,833
January 20, 2002	\$9,935,833
February 20, 2002	\$4,061,392
TOTAL	\$167,105,553

SCHEDULE II

ASSIGNEE'S ACCOUNT

The following are Wire Transfer instructions for U.S. Bank Trust, New York:

Via Fed Wire:

BBK= U.S. Bank National Association, Minneapolis, MN. ABA #091 000 022

BNF= U.S. Bank Trust NA A/C 1801 2116 7365

OBI= FFC U.S. Bank Trust NE Closing A/C # 47300415

For ABLECO FINANCE LLC Funding Agent A/C # 77090793

LONGVIEW ALUMINUM, LLC

CERTIFICATE OF SECRETARY

Pursuant to that certain Loan Agreement (the "Loan Agreement") dated as of February 26, 2001 among LONGVIEW ALUMINUM, LLC, an Delaware limited liability company (the "Company"), certain Initial Lenders, ABLECO FINANCE LLC, as Administrative Agent, and Funding Agent, the undersigned does hereby certify that:

1. I, John L. Kolleng, am the duly elected, qualified and acting Secretary of the Company, and as such I am qualified and authorized to certify to the matters contained herein.
2. That the documents referenced herein are in full force and effect and that no party thereto is in default thereunder.
3. Attached hereto as Exhibit A is a true and correct copy of the Assignment of Moneys Due or to Become Due, dated February 26 2001, executed by the Company, as Assignor and Abelco Finance LLC, as Administrative Agent and Assignee (the "Assignment").
4. Attached hereto as Exhibit B a true and correct copy of the Joint Unanimous Written Consent of the Member and the Board of Managers of the Company approving the Assignment, dated February 26, 2001.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Secretary of the
Company this 26th day of February, 2001.

Longview Aluminum LLC

By: _____


John L. Kolleng

#20070842

Exhibit A

Instrument of Assignment

February 27, 2001

01 MAR -6 PM 3:51

Longview Aluminum LLC
4900 First Avenue
McCook, Illinois 60025

RE: Asset Purchase Agreement Dated as of December 22, 2000 between Reynolds Metals Company ("Seller") and Longview Aluminum LLC ("Buyer"), as amended (the "Asset Purchase Agreement")

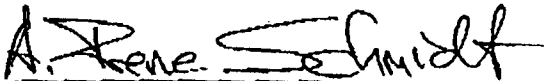
Gentlemen:

This is to confirm our receipt of the \$140,000,000 Purchase Price by wire transfer of same day funds as of February 27, 2001. On that basis, you have our consent to release from escrow the closing documents with respect to the transaction contemplated by the Asset Purchase Agreement which have been held in a conference room at Schulte, Roth & Zabel. By signing below, you also release from escrow the set of agreements with respect to the Asset Purchase Agreement that we have in escrow at Alcoa Inc.'s Corporate Center.

It was also agreed that upon receipt of the funds on February 27, 2001, the transaction would be considered effective as of the start of business on February 27, 2001. For purposes of the Asset Purchase Agreement and the First Amendment to the Asset Purchase Agreement, particularly the pro rations of liability such as utilities, real estate, personal property and ad valorem taxes and payroll, that pertain to periods prior to and after the Closing Date, start of business on February 27, 2001 shall mean 7:00AM Pacific Coast Time. Further, Seller shall have no obligation or liability to Purchaser or to the Bonneville Power Administration with respect to any potential power sales under the Curtailment Agreement between Purchaser and the Bonneville Power Administration, either before or after the time that the Closing was effective.

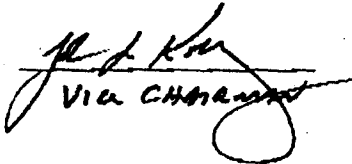
Very truly yours

Reynolds Metals Company



Accepted and agreed as of the date of this letter

Longview Aluminum LLC





Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

February 28, 2001

In reply refer to: PT-5

Mr. John Kolleng
Vice Chairman & General Counsel
Longview Aluminum, LLC
4900 First Avenue
McCook, Illinois 60525-3294

BY FEDERAL EXPRESS

Dear Mr. Kolleng:

On behalf of the Bonneville Power Administration (BPA) I have signed and enclosed two copies of the Curtailment Agreement. Please sign both, and return one to me by express mail at your earliest convenience. You will note I have dated the agreement "as of" February 21, 2001, the date BPA and Longview Aluminum originally signed the Curtailment Agreement. However, it is my understanding from you the original copy signed by BPA on February 21, 2001, has been lost. The enclosed original copy is intended to serve as a substitute for that lost original copy.

Please note also that each of Tables 2 - 4 of Exhibit B are dated February 26, 2001. That is the date the dollar figures in these tables were presented to BPA as final. Those numbers were not available on February 21, 2001, and so were not included in the lost original copy.

Sincerely,

Mark E. Miller
Account Executive



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

March 23, 2001

In reply refer to: PT-5

Mr. John Kolleng
Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294

Dear Mr. Kolleng:

This letter is in regard to Contracts No. 01PB-10769 and No. 01PB-10786.

There are two purposes for this letter. First, I would like to congratulate McCook Metals and Longview Aluminum LLC (Longview) on a successful ramp down of the smelter. Even though the facility didn't quite complete the total load reduction by March 1st, Bonneville Power Administration (Bonneville) is pleased the plant was able to come down as quickly as it did.

Second, because McCook Metals and Longview are new to the Pacific Northwest and a new customer to Bonneville, I want to provide Longview with some basic contact information commonly understood by all of Bonneville's Direct Service Industries (DSI) customers.

It is customary for DSI customers to notify Bonneville if the plant's load has any significant variations due to any planned or unplanned curtailments, or outages. Depending on how much time the plant has before the event, the plant should call either myself, the NW Preschedule Desk, or the Duty Schedule Desk. This is necessary to help Bonneville manage its realtime loads and resources as well as prevent any unnecessary special charges for unauthorized changes in the plant's load. Given Longview's Curtailment and Block Sales Agreements, which allows Longview to purchase up to 5 MW at the plant, the one area Longview can control is its exposure to Unauthorized Increase Charges (UIC) for transmission, if or when the plant's load exceeds 5MW. As a standard practice, Bonneville will be scheduling 5 MW of transmission to serve the load at Longview. If Longview is aware it is going to increase its load above 5 MW, it could avoid an unauthorized increase charge on transmission by notifying Bonneville to purchase additional transmission by 9:30 a.m. (Prevailing Pacific Time) on the preschedule day. Any energy usage above 5MW will be assessed the UIC per the agreements.

It is also very useful for Bonneville to have the names and phone numbers of personnel at the facility who Bonneville can call if it sees some unexplained load anomaly at the plant. If you would please provide that information I could then pass it on to the appropriate people here at Bonneville.

The following is Bonneville contact information to share with your personnel at the Longview plant:

For events with some significant lead time, or for contract related matters:

Mark Miller
Phone: 503-230-4003
Pager: 503-202-8053
Fax: 503-230-3681

Harry Clark
Phone: 503-230-3662

For events that can be anticipated before preschedule

BPA NW Preschedule Desk
Phone: 503-230-3813

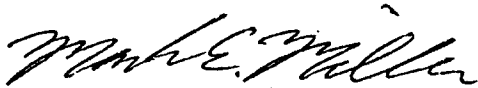
Jane O'Leary Brattebo
503-230-3949

For real time events, after hours events, or events that will occur too soon to preschedule:

BPA Duty scheduling
503-230-3341
503-230-4194

I hope this is helpful. If you have any questions you can contact me at 503-230-4003.

Sincerely,



Mark E. Miller
Account Executive

cc: Dominic Forte, McCook Metals

cc:

K. Runzler - LP-7

J. O'Leary - PGSC-5

Real Time Desk - 5

S. Oliver - PT-5

H. Clark - PTS-5

M. Hansen - PTS-5

Official File - PT (PM)

Mmiller: sjw:4003:03/22/01 (W:\P\PSB\PM\DSI\McCook\32301Info.doc)

LC to 10786

may\10769003.pdf

BRIAN BAIRD

THIRD DISTRICT, WASHINGTON

**COMMITTEE ON TRANSPORTATION
AND INFRASTRUCTURE**

**WATER RESOURCES AND
ENVIRONMENT SUBCOMMITTEE**

**COAST GUARD AND MARITIME
SUBCOMMITTEE**

SMALL BUSINESS COMMITTEE

SCIENCE COMMITTEE



**Congress of the United States
House of Representatives
Washington, DC 20515-4703**

DISTRICT OFFICES:

1220 MAIN STREET
SUITE 360
VANCOUVER, WA 98660
(360) 595-6292

606 COLUMBIA STREET NW
SUITE 220
OLYMPIA, WA 98501
(360) 352-8768

WASHINGTON, DC OFFICE:

1721 LONGWORTH HOB
WASHINGTON, DC 20515
(202) 225-3536

April 10, 2001

RECEIVED BY BPA ADMINISTRATOR'S OFC-LOG #: 01062	web address: http://www.house.gov/baird e-mail address: brian.baird@mail.house.gov
RECEIPT DATE: 4.11.01	
DUE DATE: 4.25.01	

Acting Administrator Steven Wright
Bonneville Power Administration
Post Office Box 3621
Portland, Oregon 97208-3621

ASSIGN: KR-7C
cc: A-7, D-7, KN/Wash, L-7, P-6, PT-5
PAT/BART/CINDY

Dear Mr. Steve:

Last week it was announced that more than 40 salaried employees at the McCook Aluminum smelting facility in Southwest Washington would be terminated. According to reports, salaried employees have until April 18, 2001 to sign severance agreements which will effectively end their employment at the smelter.

It is our opinion that this situation is contrary to the terms agreed upon by the Bonneville Power Administration (BPA) and McCook which stipulated that the company would maintain its employment base at existing levels and provide those employees with compensation and benefits. The initial agreement did not differentiate between salaried and hourly employees. Therefore, I would respectfully request that BPA insist that the terms of the agreement be honored, and that salaried employees be treated in the same manner as other employees at the smelter in this regard.

Given the extremely time-sensitive nature of this situation, I would request your response as expeditiously as possible. I would be pleased to work with your agency in whatever way might be helpful to benefit the working families in Southwest Washington who are impacted by this decision.

Sincerely,

Brian Baird
Member of Congress



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

EXECUTIVE OFFICE

April 24, 2001

In reply refer to: KR-7C

The Honorable Brian Baird
U.S. House of Representatives
Washington, DC 20515

Dear Representative Baird:

Thank you for your letter asking about employment issues at the McCook Metals smelting facility. You ask that Bonneville Power Administration (BPA) insist that McCook provide compensation and benefits to its salaried workers as well as its union employees during this plant closure.

Because of your letter and phone calls we have received from concerned employees, BPA has contacted McCook about your concerns. We asked McCook to spend more time with the affected workers (about five percent of its workforce) to help them better understand the benefits and rights they had under the severance package they have been offered. McCook has agreed to extend the deadline for the employees to accept the severance package by another week, to April 25. McCook executives believe the severance package is very generous. We believe that by offering the severance package, McCook has met the terms of its BPA contract.

As you know, BPA has worked very hard to make sure that workers' families are taken care of during these difficult times of aluminum plant closures. If there is something else I can do in this situation, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen J. Wright", is located below the "Sincerely," text.

Stephen J. Wright
Acting Administrator and
Chief Executive Officer



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

EXECUTIVE OFFICE

June 25, 2002

In reply refer to: KR-7C

The Honorable Maria Cantwell
United States Senate
Washington, D.C. 20510

Dear Senator Cantwell:

The Secretary of Energy has forwarded your letter to him of May 20, 2002, to the Bonneville Power Administration (Bonneville) for a reply. In the letter, you express concerns about McCook Metals' plans for the Longview Aluminum Plant.

Bonneville entered into the Curtailment Agreement with Longview Aluminum, LLC (Longview) in the spring of 2001. Bonneville was seeking to reduce its exposure to the wholesale power market at a time of record high power prices and severe Northwest drought. The agency paid Longview \$226 million to forego its Bonneville power supply through June 30, 2002.

Bonneville understands from the United Steelworkers of America (USWA) that Longview stopped paying "at least some" of its workers as of April 1, 2002. While we are not familiar with the rationale or circumstances surrounding Longview's decision to stop paying some of its employees, Bonneville is very concerned about reports that Longview may not be complying fully with its commitments. Section 9 of the Curtailment Agreement requires Longview to provide compensation and benefits through June 30, 2002, to employees who were laid off due to the curtailment. In addition, at the time the Curtailment Agreement was executed, Bonneville and USWA representatives jointly determined that the details of Longview's compensation obligations to its laid-off workers would be specified in agreements between Longview and the USWA. Bonneville is not a party to those agreements.

Your letter asks whether McCook (or Longview) "accurately represent[ed] its intentions to restart the plant" when negotiating its current power contract with Bonneville. As part of the negotiations leading to the Agreement, Longview did state its intention to restart the plant at the end of the curtailment. However, the Power Sales Agreement (which extends through September 30, 2006) does allow the facility to curtail production, as long as Bonneville is made whole for any power not used by Longview. Bonneville did not conduct an extensive financial review prior to execution of the Power Sales Agreement, primarily because Bonneville did not have a policy at that time limiting service to Direct Service Industrial customers based on a financial review.

At the time the Curtailment and Power Sales Agreements were signed, Longview did indicate that it intended for some of the curtailment proceeds to be used to develop its own sources of generation to meet the smelter's power needs after 2006. Our contract with Longview lists spending on new generation as one of the allowed uses of the funds, but does not require any particular amount to be spent in that way. We are not aware of any such spending by Longview to date. Largely because of the expectation that Longview would become energy-independent, the Power Sales Agreement specifies very clearly that federal power service to the plant will not continue past September 2006.

Consistent with the Curtailment Agreement, Bonneville is in the process of reviewing Longview's use of the proceeds from the Agreement to ensure those proceeds were used for approved purposes. Longview has been very slow to respond to Bonneville's requests for information. We will do everything possible to make the findings public.

Bonneville has tried, with the curtailment agreements, to help preserve the long-term operation of the Northwest's aluminum plants. A key part of this strategy was to retain a skilled workforce and to help make plant operations more efficient. Unfortunately, with current power prices and low aluminum prices, the future of the Longview plant remains unclear.

I trust this is responsive to your concerns. If I can answer other questions, please contact me or have your staff contact Mark Miller, Longview Account Executive, at 503-230-4003.

Sincerely,



Stephen J. Wright
Administrator and
Chief Executive Officer

cc:

The Honorable Patty Murray
United States Senate
Washington, DC 20510

The Honorable Brian Baird
United States House of Representatives
Washington, DC 20515



Department of Energy

Official File

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

EXECUTIVE OFFICE

JUL 1 2002

In reply refer to: KR-7C

The Honorable Mark Doumit
Washington House of Representatives
P.O. Box 40600
Olympia, WA 98504-0600

Dear Representative Doumit:

This is in response to your letter of May 14, 2002, to the Bonneville Power Administration (Bonneville) conveying the concerns of your constituents and expressing concerns about McCook Metals' plans for the Longview Aluminum Plant.

Bonneville entered into the Curtailment Agreement with Longview Aluminum, LLC (Longview) in the spring of 2001. Bonneville was seeking to reduce its exposure to the wholesale power market at a time of record high power prices and severe Northwest drought. The agency paid Longview \$226 million to forego its Bonneville power supply through June 30, 2002.

Bonneville understands from the United Steelworkers of America (USWA) that Longview stopped paying "at least some" of its workers as of April 1, 2002. While we are not familiar with the rationale or circumstances surrounding Longview's decision to stop paying some of its employees, Bonneville is very concerned about reports that Longview may not be complying fully with its commitments. Section 9 of the Curtailment Agreement requires Longview to provide compensation and benefits through June 30, 2002, to employees who were laid off due to the curtailment. At the time the Curtailment Agreement was executed, Bonneville and USWA representatives jointly determined that the details of that compensation would be specified in agreements between Longview and the USWA. Bonneville is not a party to those agreements.

As part of the negotiations leading to the Curtailment Agreement, Longview did state its intention to restart the plant at the end of the curtailment. However, the Power Sales Agreement (which extends through September 30, 2006) does allow the facility to curtail production, as long as Bonneville is made whole for any power not used by Longview. Largely because of the expectation that Longview would become energy-independent, the Power Sales Agreement specifies very clearly that federal power service to the plant will not continue past September 2006.

Bonneville has tried, with the curtailment agreements, to help preserve the long-term operation of the Northwest's aluminum plants. A key part of this strategy was to retain a skilled workforce

and to help make plant operations more efficient. Unfortunately, with current power prices and low aluminum prices, the future of the Longview plant remains unclear.

I trust this is responsive to your concerns. If I can answer other questions, please contact me or have your staff contact Mark Miller, Longview Account Executive, at 503-230-4003.

Sincerely,

(Sgd.) Stephen J. Wright

Stephen J. Wright
Administrator and
Chief Executive Officer

cc:

J. O'Leary - PGK-5

M. Johnson - PNG-1

B. Cody - PND-1

D. Couch - PSR-6

J. Traversie - PSR-6

J. Conlee - PSR-6

G. Insley - PTS-5

H. Clark - PTS-5

J. Klippstein - PTS-5

CCIS - PTS-5

Official File PT (PM)

HClark:sjw:3662:07/31/01 (W:\P\PSB\PM\dsi\McCook\Longview_CRD_Lt.doc)



7

Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

August 8, 2001

In reply refer to: PT-5

0188-10769

Mr. John Kolleng
Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294

Dear Mr. Kolleng:

Both the new Subscription Power Sales Contracts signed last year and the Bonneville Power Administration's (BPA) new Industrial Firm Power Rate (IP-02) will take effect October 1, 2001. One component of the IP-02 is that BPA will be providing a credit of \$0.50 per megawatt hour under the Conservation and Renewables Discount (C&RD) Program. This is a credit available to BPA regional wholesale power customers who take action to promote conservation and renewable resource development in the region. Detailed information about the program is available in the C&RD Implementation Manual, available from BPA's Web Site.

www.bpa.gov/Energy/N/projects/cr_discount/pdf/crdmanualv4.pdf

Enclosed is a brief one-page summary of program features and procedures that will be used to apply the C&RD credit. This summary will explain how the credit is calculated and will be included on Longview Aluminum's Wholesale Power Bill beginning October 2001.

If you have any questions about this please feel free to contact me at 503-230-4003 or Harry Clark at 503-230-3662.

Sincerely,

Mark E. Miller
Account Executive

ENC:



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

August 9, 2001

In reply refer to: PT-5

Mr. Michael W. Lynch, Chairman
McCook Metals Group
4900 First Avenue
McCook, Illinois 60525-3294

Dear Mr. Lynch:

The Bonneville Power Administration (BPA) has learned through press reports and subsequent discussions between you and Steve Wright, BPA Acting Administrator, that Scottsboro Aluminum L.L.C. has been forced into involuntary Chapter 11 bankruptcy. We have heard rumors Michigan Avenue Partners (MAP) or McCook L.L.C. has also filed for bankruptcy.

BPA is concerned with the potential effect a bankruptcy of any Longview Aluminum affiliates, or the merger or divestiture of MAP's affiliated holdings, could have on BPA's contracts with Longview Aluminum L.L.C.

Consistent with your promise to Steve Wright, BPA would like a letter from Longview Aluminum L.L.C., prior to August 20, 2001, explaining the issues surrounding the Scottsboro Aluminum L.L.C. bankruptcy, and in particular whether you believe the Scottsboro bankruptcy proceeding could implicate any Longview Aluminum assets, including any of the agreements between BPA and Longview Aluminum. Please also clarify whether MAP and/or McCook Metals L.L.C. is a debtor in any pending bankruptcy proceedings. Included in your letter, we would like any information regarding the merger or divestiture options you are considering for Longview Aluminum L.L.C., and when such an event might occur.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mark E. Miller", is written over a horizontal line.

✓ Mark E. Miller
Account Executive

cc:

Mr. John Kolleng, McCook Metals Group
Mr. Jeff Smith, Patton Boggs
Mr. Randy Hardy, Hardy Energy Consulting

**MCCOOK METALS LLC**

ISO 9001

FAX TRANSMISSION

Date 8/16/01

Number of pages including cover sheet 3

REMARKS:☐ Urgent☐ For your
reviewTO: Mark Miller

Phone

Fax Phone (503) 230-3681

FROM: Michael W. LynchMcCook Metals

Phone (708) 387-8441

Fax Phone (708) 387-8910

☐ Reply ASAP☐ Please
Comment

Longview Aluminum LLC

4029 Industrial Way - P.O. Box 2484 - Longview, Washington 98632-7598

August 16, 2001

Mr. Mark E. Miller
Account Executive
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

RE: PT-5; Longview Aluminum

Dear Mr. Miller:

I am writing to provide you with the information you requested in your letter to me dated August 9, 2001.

On August 1, 2001, certain secured creditors of Scottsboro Aluminum, LLC and Scottsboro Properties, LLC (collectively, "the Scottsboro LLCs") filed an involuntary Chapter 11 bankruptcy petition against the Scottsboro LLCs. The Scottsboro LLCs currently intend to file, but have not yet filed, a motion with the bankruptcy court to convert the case to a voluntary case. On August 6, 2001, McCook Metals, LLC and McCook Equipment, LLC (collectively, the "McCook LLCs") filed a voluntary Chapter 11 bankruptcy petition. The facilities owned by the Scottsboro LLCs and the McCook LLCs remain in operation.

At the time we spoke with you and other BPA representatives on July 27, 2001, neither John Kolleng nor I expected that a bankruptcy petition would be filed against the Scottsboro LLCs or by the McCook LLCs and we, therefore, did not raise those topics with you at that time.

No bankruptcy petition has been filed by or against Longview Aluminum, LLC ("Longview Aluminum") or Michigan Avenue Partners ("MAP"), and neither Longview Aluminum nor MAP consider themselves to be in material default of their respective payment obligations to their respective secured creditors.

Certain individuals and limited liability companies (collectively, the "McCook Group") hold partnership interests in MAP and membership interests in both of the Scottsboro LLCs, both of the McCook LLCs and Longview Aluminum. No bankruptcy petition has been filed by or against any members of the McCook Group.

August 16, 2001

Page 2

None of the membership interests of Longview Aluminum are held by either of the Scottsboro LLCs, either of the McCook LLCs or MAP (collectively, the "Other Entities"). The lead lender to Longview Aluminum is not the lead lender to any of the Other Entities. Also, Longview Aluminum has not guaranteed any of the debts of any of the Other Entities or any of the members of the McCook Group. Therefore, Longview Aluminum anticipates that the bankruptcy proceedings concerning the Scottsboro LLCs and the McCook LLCs will not have any direct effect on Longview Aluminum.

The members of the McCook Group expect that the assets of the Scottsboro LLCs and the McCook LLCs will be sold in their respective bankruptcy proceedings, and they are currently considering attempting to purchase some or all of the assets of Scottsboro LLCs and the McCook LLCs in those bankruptcy proceedings. At the present time, it is not possible to determine whether any such efforts by members of the McCook Group would be likely to be successful.

The members of the McCook Group have not made any final decisions regarding their long-term intentions for Longview Aluminum. However, they are reconsidering their ownership of the facility in light of the fact that the assets of their operating companies are likely to be sold. Accordingly, they have made known their intention to entertain offers for Longview Aluminum, but have not as of this date received any bids nor made any final decision to sell.

Longview Aluminum does not believe that the filing of the bankruptcy cases referenced above affects the ability of Longview Aluminum to fulfill its contractual obligations to BPA, and trust that you agree. Longview Aluminum looks forward to continuing to work with BPA.

Sincerely,

Longview Aluminum, LLC

By: Michael J. Lyons

Title: Chairman



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

January 31, 2002

In reply refer to: PT-5

Mr. John L. Kolleng, Vice Chairman
Longview Aluminum LLC
111 West Washington, 1655
Chicago, IL 60602

Dear Mr. Kolleng:

On December 20, 2001, the Bonneville Power Administration (BPA) sent Longview Aluminum (Longview) a letter indicating Longview has not complied with Section 10(f) of Contract No. 00BP-10786 (Curtailment Agreement). In that letter, BPA asked Longview to comply with the Curtailment Agreement by providing information that would allow BPA to confirm that Longview has used curtailment revenues for the purposes specified in the Curtailment Agreement, and that such information be provided to BPA prior to January 20, 2002. Longview has not provided BPA with any information to date, and its lack of progress toward meeting BPA's request leaves us with significant concerns the disbursements from one or more of the Company Proceeds Accounts have not been made appropriately.

It is impossible for BPA to determine at this time if Longview has used curtailment revenues consistent with the Curtailment Agreement. BPA is also very concerned that any money remaining in the Company Proceeds Accounts and money yet to be received into those accounts, is spent in accordance with the Curtailment Agreement.

It is very important that BPA receive information from Longview detailing its use of curtailment revenues prior to the date BPA is scheduled to make the final payment into the Company Proceeds Accounts. To be more specific, BPA must receive from Longview an accounting for all expenditures from Company Proceeds Accounts. To help clarify our expectation of how that accounting could be presented at this time, we have enclosed an attachment as an example. Please note the example provided is only an example and Longview should include all of the major disbursement categories necessary to account for all of the dollars deposited into the Company Proceeds Accounts by BPA. Also note in the example that BPA has provided for certification of the summary accounting by Longview. After reviewing this accounting, BPA may request Longview to provide supporting source material to confirm some or all of the listed expenditures. All supporting source material BPA determines is necessary to review any Company Proceeds Account will need to arrive at BPA no later than 14 days prior to the date BPA is scheduled to make the final payment into Longview's account(s).

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Miller", is written over a horizontal line.

Mark E. Miller
Account Executive

0193-10139



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

ENERGY EFFICIENCY

January 17, 2002

In reply refer to: PNG-1

Mr. John Kolleng
Vice-Chairman and General Council
Longview Aluminum, LLC
111 West Washington, Suite 1655
Chicago, IL 60602

Dear Mr. Kolleng:

As we move forward into the 2002-2006 rate period, I want to inform you of several clarifications made by the Bonneville Power Administration (Bonneville) to the "Conservation and Renewables Discount Program Implementation Manual (Manual)." The Manual has been updated to provide information that clarifies various aspects of the Conservation and Renewables Discount (C&R Discount) Program and is enclosed. The enclosed Attachment 1 summarizes the adjustments.

There have also been several changes and corrections to the technical materials supporting the C&R Discount Program. All of the available technical information is now available on the C&R Discount Reporting Software. We are directing customers to the Reporting Software web site for technical information and program specifications. Of particular interest to DSI customers is the updated protocols section, which is enclosed, for site-specific projects under which DSI's are most likely to claim their C&R Discount activity. Attachment 2 summarizes all of the adjustments to the supporting technical material and is enclosed.

If you have any questions regarding this update, please contact your PBL Account Executive, Mark Miller.

Sincerely,

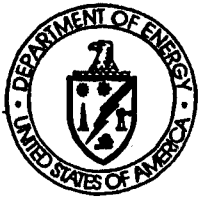
A handwritten signature in black ink, appearing to read "MEJ", is located below the word "Sincerely,".

Mark E. Johnson
Conservation and Renewables Discount Program Manager

4 Enclosures

cc:

Mr. Randy Hardy
821 Second Avenue, Suite 2000
Seattle, WA 98104



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

December 20, 2001

In reply refer to: PT-5

Mr. John L. Kolleng, Vice Chairman
Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294

Dear Mr. Kolleng:

Section 10(f) of the Curtailment Agreement, Contract No. 00PB-10786, seems to be an area we both inadvertently have overlooked for the past several months. The section states, in part, that Longview will provide the Bonneville Power Administration (BPA) with written notice promptly after withdrawing funds from any Company Proceeds Account. Longview can easily comply with Section 10(f) by compiling information regarding withdrawals and expenditures Longview has made from the Company Proceeds Accounts during the March 20, 2001, through December 20, 2001, period and providing that information to BPA. Consistent with Section 10(f), BPA would like to know what Qualified Expenditures have been made with funds from the Company Proceeds Accounts, including detail sufficient for BPA to confirm the expenditures. This information, in addition to Longview providing notices for all future withdrawals, will keep that section current for the remainder of the agreement. It would be very helpful if Longview would provide this information prior to January 20, 2002.

As a matter of due diligence, BPA may use some of our internal personnel, as contemplated in Section 10(f), to review the information you provide. Without having any experience with this information, we may need to work with you in setting up a visit from our staff to your offices to review the background information associated with the withdrawals. We will let you know if this will be necessary after an initial review of Longview's notice and accompanying information.

Thank you for your help. For any questions, please call me at 503-230-4003.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Miller", is written over a horizontal line.

✓ Mark E. Miller
Customer Account Executive

cc: Mr. Jeffrey T. Smith, Patton Boggs LLP, Attorney at Law
Mr. Randall Hardy, Hardy Energy Consulting

EXAMPLE ATTACHMENT
Longview Aluminum
Summary of Qualified Expenditures (Contract O1PB-10786 Section 10)
for the Period: March 20, 2001 through January 20, 2002

Qualifying Contract Section.	Description of Qualified Expenditures	Amount of Qualified Expenditures from Company Proceeds Accounts. [1]
10(a)(1)	<ul style="list-style-type: none"> • Compensation Benefits Paid • Pension Fund Payments • Job Placement Service Costs 	<p>\$1,000,000</p> <p>500,000</p> <p>100,000</p>
10(a)(2)	<ul style="list-style-type: none"> • Cancellation penalty related to Longview Aluminum Companies Contract with XYZ Company. 	30,000,000
10(a)(3)	<ul style="list-style-type: none"> • Unrecoverable Operating Overhead Costs to do reduced operating levels • Accrued Interest Expense and principal payments on long-term debt. 	<p>15,000,000</p> <p>45,000,000</p>
10(b)(1)	<ul style="list-style-type: none"> • Site acquisition, licensing fees for gas fired turbine generators. 	60,000,000
10(b)(3)	<ul style="list-style-type: none"> • Costs associated with energy conservation upgrades at the Longview facility. 	1,500,000
	Total Expenditures and Liabilities incurred by Longview Aluminum that qualify under Section 10 of the above named contract for the above named period.	<u>\$153,100,000</u>
	[1] The company should maintain detail documentation including invoices and evidence of payment for each summarized category.	

To the best of my knowledge and belief the above expenditures and accrued expenses qualify under Section 10 of Contract O1PB-10786 between the Bonneville Power Administration and Longview Aluminum, LLC, and have been or will be paid by Longview Aluminum LLC .

 John L. Kolleng, Vice Chairman, Longview Aluminum, LLC Date



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

January 31, 2002

In reply refer to: PT-5

Mr. John L. Kolleng, Vice Chairman
Longview Aluminum LLC
111 West Washington, 1655
Chicago, IL 60602

Dear Mr. Kolleng:

On December 20, 2001, the Bonneville Power Administration (BPA) sent Longview Aluminum (Longview) a letter indicating Longview has not complied with Section 10(f) of Contract No. 00BP-10786 (Curtailment Agreement). In that letter, BPA asked Longview to comply with the Curtailment Agreement by providing information that would allow BPA to confirm that Longview has used curtailment revenues for the purposes specified in the Curtailment Agreement, and that such information be provided to BPA prior to January 20, 2002. Longview has not provided BPA with any information to date, and its lack of progress toward meeting BPA's request leaves us with significant concerns the disbursements from one or more of the Company Proceeds Accounts have not been made appropriately.

It is impossible for BPA to determine at this time if Longview has used curtailment revenues consistent with the Curtailment Agreement. BPA is also very concerned that any money remaining in the Company Proceeds Accounts and money yet to be received into those accounts, is spent in accordance with the Curtailment Agreement.

It is very important that BPA receive information from Longview detailing its use of curtailment revenues prior to the date BPA is scheduled to make the final payment into the Company Proceeds Accounts. To be more specific, BPA must receive from Longview an accounting for all expenditures from Company Proceeds Accounts. To help clarify our expectation of how that accounting could be presented at this time, we have enclosed an attachment as an example. Please note the example provided is only an example and Longview should include all of the major disbursement categories necessary to account for all of the dollars deposited into the Company Proceeds Accounts by BPA. Also note in the example that BPA has provided for certification of the summary accounting by Longview. After reviewing this accounting, BPA may request Longview to provide supporting source material to confirm some or all of the listed expenditures. All supporting source material BPA determines is necessary to review any Company Proceeds Account will need to arrive at BPA no later than 14 days prior to the date BPA is scheduled to make the final payment into Longview's account(s).

Sincerely,

A handwritten signature in dark ink, appearing to read "Mark E. Miller", is written over the signature line.

Mark E. Miller
Account Executive

EXAMPLE ATTACHMENT
Longview Aluminum
Summary of Qualified Expenditures (Contract O1PB-10786 Section 10)
for the Period: March 20, 2001 through January 20, 2002

Qualifying Contract Section.	Description of Qualified Expenditures	Amount of Qualified Expenditures from Company Proceeds Accounts. [1]
10(a)(1)	<ul style="list-style-type: none"> • Compensation Benefits Paid • Pension Fund Payments • Job Placement Service Costs 	<p style="text-align: right;">\$1,000,000</p> <p style="text-align: right;">500,000</p> <p style="text-align: right;">100,000</p>
10(a)(2)	<ul style="list-style-type: none"> • Cancellation penalty related to Longview Aluminum Companies Contract with XYZ Company. 	30,000,000
10(a)(3)	<ul style="list-style-type: none"> • Unrecoverable Operating Overhead Costs to do reduced operating levels • Accrued Interest Expense and principal payments on long-term debt. 	<p style="text-align: right;">15,000,000</p> <p style="text-align: right;">45,000,000</p>
10(b)(1)	<ul style="list-style-type: none"> • Site acquisition, licensing fees for gas fired turbine generators. 	60,000,000
10(b)(3)	<ul style="list-style-type: none"> • Costs associated with energy conservation upgrades at the Longview facility. 	1,500,000
	Total Expenditures and Liabilities incurred by Longview Aluminum that qualify under Section 10 of the above named contract for the above named period.	<u>\$153,100,000</u>
	[1] The company should maintain detail documentation including invoices and evidence of payment for each summarized category.	

To the best of my knowledge and belief the above expenditures and accrued expenses qualify under Section 10 of Contract O1PB-10786 between the Bonneville Power Administration and Longview Aluminum, LLC, and have been or will be paid by Longview Aluminum LLC.

John L. Kolleng, Vice Chairman, Longview Aluminum, LLC Date

February 11, 2002

Mr. Mark E. Miller
Customer Account Executive
Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

Re: Longview Aluminum LLC Confidential Records

Dear Mr. Miller:

Longview Aluminum LLC ("Longview Aluminum"), pursuant to Section 10(f) of the Curtailment Agreement between Longview Aluminum and Bonneville Power Administration ("BPA") (the "Curtailment Agreement"), is hereby voluntarily making available to BPA the certain bank statements and other financial records of Longview Aluminum (the "Longview Aluminum Records").

Please note that each of the Longview Aluminum Records have been legended as follows:

THE INFORMATION CONTAINED IN THIS DOCUMENT IS BEING PROVIDED VOLUNTARILY TO BONNEVILLE POWER AUTHORITY (BPA), AN AGENCY OF THE FEDERAL GOVERNMENT. THE INFORMATION CONTAINED IN THIS DOCUMENT SHALL BE USED BY BPA ONLY FOR THE PERFORMANCE OF ITS OFFICIAL DUTIES WITH RESPECT TO THE CURTAILMENT AGREEMENT, CONTRACT NO. 01PB-10786 (THE "CURTAILMENT AGREEMENT"). THE INFORMATION CONTAINED IN THIS DOCUMENT: IS THE PROPERTY OF LONGVIEW ALUMINUM, LLC ("LONGVIEW"); IS CONFIDENTIAL AND FINANCIAL INFORMATION OF LONGVIEW, AND CONCERNS AND RELATES TO THE INCOME, PROFIT, LOSSES AND/OR EXPENDITURES OF LONGVIEW, AS SUCH TERMS ARE USED IN THE TRADE SECRETS ACT, 18 U.S.C. 1905. THE INFORMATION CONTAINED IN THIS DOCUMENT AND ALL INFORMATION DERIVED THEREFROM: IS EXEMPT FROM RELEASE UNDER THE FREEDOM OF INFORMATION ACT; AND, PURSUANT TO THE TRADE SECRETS ACT, 18 U.S.C. 1905, SHALL NOT BE DISCLOSED OR MADE KNOWN BY BPA OR ANY AGENCY, OFFICER OR EMPLOYEE OF THE FEDERAL GOVERNMENT TO PERSON OUTSIDE THE FEDERAL GOVERNMENT WITHOUT LONGVIEW'S WRITTEN PERMISSION.

The Longview Aluminum Records and any notes, memoranda, reports or other documents that incorporate or reference information contained in the Longview Aluminum Records (collectively, the "Longview Aluminum Documents") are subject to the restrictions on use and disclosure set forth in the Confidentiality Agreement entered into between BPA and Longview Aluminum on January 29, 2002 and such other restrictions on use and disclosure set forth in federal law and regulations, including the Trade Secrets Act, 18 U.S.C. § 1905

mwl
2/11/02

(hereinafter, the "Trade Secrets Act") and the exemptions to release or disclosure under the Freedom of Information Act, 5 U.S.C. § 552 *et seq.* (hereinafter, "FOIA").

The Longview Aluminum Documents and the information contained therein concern and relate to the "income, profit, losses and/or expenditures" of Longview Aluminum (as such terms are used in the Trade Secrets Act) and, thus, constitute the "trade secrets" of Longview Aluminum (as the term "trade secrets" is used in the Trade Secrets Act).

Longview Aluminum hereby advises BPA that any act by BPA or any agency, officer or employee of the Federal Government that results in the disclosure of the Longview Aluminum Documents to any person outside the Federal Government, without Longview Aluminum's advance written permission, is likely to cause substantial harm to the competitive position of Longview Aluminum, for at least the following reasons:

1. Longview Aluminum does not customarily release to the public either the Longview Aluminum Records nor the information contained in those records;
2. Neither the Longview Aluminum Records nor the information contained in those records has been publicly disseminated or is available from other sources;
3. As previously noted, the data contained in the Longview Aluminum Records concern, relate to and reveal expenditures, assets and/or profits/losses of Longview Aluminum;
4. The data contained in the Longview Aluminum Records relate to Longview Aluminum's workforce and could enable competitors to deduce labor costs, profit margins, competitive vulnerability and predict product and process changes; and
5. The Longview Aluminum Records include information concerning Longview Aluminum as a borrower on bank loans.

Given the foregoing, the Longview Aluminum Documents and the information contained therein, plus all information derived therefrom, is exempt from release under FOIA and is subject to the Trade Secrets Act prohibitions on release.


Accordingly, none of the Longview Aluminum Documents, nor any information contained in or derived from the Longview Aluminum Documents, shall be disclosed or made known by BPA or any agency, officer or employee of the Federal Government to any person outside the Federal Government without Longview Aluminum's advance written permission.

Longview Aluminum hereby requests that BPA notify Longview Aluminum, in writing, should any person outside the Federal Government request access to the Longview

Mr. Mark E. Miller, Customer Account Executive
Department of Energy, Bonneville Power Administration
February 11, 2002
Page 3

Aluminum Documents or any information contained in or derived from those records.
Longview Aluminum also hereby asks that BPA give Longview Aluminum such notice in
sufficient time prior to any such disclosure so as to allow Longview Aluminum to pursue
appropriate remedies to preserve the confidentiality of the information.

Sincerely,



Michael Lynch
Chairman
for Longview Aluminum, LLC

JLK/slf

Enclosures

man
2/11/02

**LongView Aluminum Company
Company Expenditures**

2.19.02

* Compiled by Fred Lehr from
Longview spreadsheets.

Company Expenditures:	Union Account #77090794	Union Account #3752157994	Company Account #3751628482	Total Company Expenditures
Payroll & Taxes	\$7,273,913.18	\$2,136,761.01	\$702,931.99	\$10,113,606.18
Retiree Payout	\$1,500,000.00		\$1,255,198.73	\$2,755,198.73
Hourly Workmans Compensation	\$52,280.52		\$67,629.57	\$119,910.09
Hourly 401K	\$1,074,374.02	\$220,403.71	\$10.85	\$1,294,788.58
Hourly Pension	\$280,825.00		\$280,825.00	\$561,650.00
Hourly Union Dues	\$110,781.70	\$8,445.08	\$29,320.29	\$148,547.07
Hourly Credit Union	\$163,357.82		\$127,326.48	\$290,684.30
Hourly Other Payroll Deductions	\$30,473.95	\$3,862.15	\$4,360.17	\$38,696.27
Hourly Tuition	\$3,788.00	\$797.70	\$1,908.04	\$6,493.74
Hourly Medical	\$2,913,063.14	\$323,725.65	\$332,771.46	\$3,569,560.25
Hourly Dental	\$265,838.97	\$24,697.77	\$25,249.93	\$315,786.67
Hourly Life Insurance	\$87,349.50	\$18,726.75		\$106,076.25
Other	\$877.42			\$877.42
Hourly VEBA			\$590,190.00	\$590,190.00
Salaried: Payroll & Taxes			\$7,006,971.73	\$7,006,971.73
Salaried Workmans Compensation			\$74,567.39	\$74,567.39
Salaried: 401K			\$496,270.21	\$496,270.21
Salaried Credit Union			\$126,432.60	\$126,432.60
Salaried: Other Pd Deductions			\$7,945.76	\$7,945.76
Salaried Tuition			\$3,078.62	\$3,078.62
Salaried Medical			\$727,112.47	\$727,112.47
Salaried Dental			\$127,007.95	\$127,007.95
Salaried Life Insurance			\$114,197.15	\$114,197.15
	\$13,756,923.22	\$2,737,419.82	\$12,101,306.39	\$28,595,649.43
West Water Plan			\$42,102.89	\$42,102.89
Disposal Fees			\$164,716.94	\$164,716.94
Employee Ben/Activity			\$27,126.10	\$27,126.10
Environmental			\$66,449.03	\$66,449.03
Freight			\$55,839.14	\$55,839.14
Ground Keepers			\$11,630.89	\$11,630.89
Guard			\$26,995.62	\$26,995.62
Insurance			\$1,242,812.02	\$1,242,812.02
Manufacturing Supplies			\$979,005.02	\$979,005.02
Repairs & Maintenance			\$328,142.90	\$328,142.90
R&M Supplies			\$170,346.97	\$170,346.97
Sampling & Testing			\$48,521.89	\$48,521.89
Training			\$9,998.26	\$9,998.26
Business Licenses			\$7,214.23	\$7,214.23
Data Processing			\$40,440.79	\$40,440.79
Travel			\$143,004.28	\$143,004.28
M&E			\$6,597.17	\$6,597.17
Meetings & Seminars			\$2,125.15	\$2,125.15
Natural Gas			\$278,764.47	\$278,764.47
Office Expense			\$15,796.45	\$15,796.45
Payroll Services			\$56,062.32	\$56,062.32
Postage			\$8,057.87	\$8,057.87
Outside Services			\$58,401.22	\$58,401.22
Rental & Miscellaneous Equipment			\$24,650.45	\$24,650.45

**LongView Aluminum Company
Company Expenditures**

Taxes & Use			\$18,729.18	\$18,729.18
Taxes Other			\$14,302.32	\$14,302.32
Telephone			\$27,982.24	\$27,982.24
Bank Charges			\$7,619.85	\$7,619.85
	\$0.00	\$0.00	\$3,883,435.66	\$3,883,435.66
Power			\$1,416,544.00	\$1,416,544.00
Power Transmission			\$510,186.00	\$510,186.00
	\$0.00	\$0.00	\$1,926,730.00	\$1,926,730.00
Fixed Assets			\$217,474.09	\$217,474.09
Capital Upgrades			\$512,902.27	\$512,902.27
	\$0.00	\$0.00	\$730,376.36	\$730,376.36
Loan Ableco Fees			\$500,000.00	\$500,000.00
Great Lake Processing			\$125,000.00	\$125,000.00
	\$0.00	\$0.00	\$625,000.00	\$625,000.00
Professional Fees: Legal			\$1,457,944.44	\$1,457,944.44
Professional Fees: Accounting			\$721,700.00	\$721,700.00
Professional Fees: Enviornmental			\$298,625.35	\$298,625.35
Professional Fees: Other			\$302,024.90	\$302,024.90
	\$0.00	\$0.00	\$2,780,294.69	\$2,780,294.69
Acquisition Investments - To McCook			\$3,280,552.97	\$3,280,552.97
Acquisition Investments - Other			\$2,505,304.76	\$2,505,304.76
UnCategorized Costs			\$361,683.97	\$361,683.97
	\$0.00	\$0.00	\$6,147,541.70	\$6,147,541.70
Total Company Expenditures	\$13,756,923.22	\$2,737,419.82	\$28,194,684.80	\$44,689,027.84

Payments Paid by BPA

Union Account Payments:

\$26,550,000.00

Less Amount Paid Directly to Union:

(\$3,100,000.00)

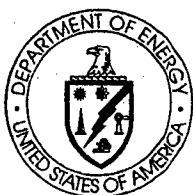
\$23,450,000.00

Company Account

\$21,822,500.00

Payments Paid by BPA to Longview Aluminum Through January 21, 2002

\$45,272,500.00



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

February 22, 2002

In reply refer to: PT-5

Mr. John L. Kolleng, Vice Chairman
Longview Aluminum LLC
111 West Washington, 1655
Chicago, IL 60602

Re: Curtailment Agreement, Contract No. 01PB-10786

Dear Mr. Kolleng:

Bonneville Power Administration (BPA) has reviewed the Longview Aluminum (Longview) expenditure information you provided on February 13, 2002. To ensure that the funds BPA has paid Longview have been spent on Qualified Expenditures, as defined in the subject contract, BPA needs to review additional materials, and to receive from Longview an explanation regarding some expenditures listed in the records provided us on February 13, 2002.

The following is a summary of additional documents and ledgers we would like to review.

- Longview's expenditure information shows the company has spent \$10,113,606.18, for hourly payroll and taxes, \$7,006,971.73 for salaried payroll and taxes, and \$2,755,198.73 for retiree payouts, for the period December 18, 2001 through February 6, 2002. While we reconciled total expenditures for these costs categories from the two Union Accounts and Company account, we also need to review the source ledgers (i.e., payroll and payroll tax ledgers etc.) that support these payments.
- Longview's expenditure information shows the company has spent \$1,242,812, for insurances related to Property, Boiler & Machinery and Other. In order to verify the insurance premiums paid pertain to insurance policies involving the Longview plant, we would like to review the underlining insurance invoices that pertain to those payments and related insurance policies.
- Longview's expenditure information shows the company has spent \$979,005.02 for Repairs and Maintenance (RM), \$328,142.00 for R&M Supplies (S), \$217,473.69 for Fixed Assets (FA), and \$512,902.27 for Capital Upgrades (CU). To verify the nature of these expenditures, we would like to examine the invoices related to the following payments shown in the expenditure account worksheet for the company account.

Post-It® Fax Note	7671	Date	2/22/02	# of pages	4
To	John Kolleng	From	Mark Miller		
	pt. Longview Alum.	Co.	BPA		
		Phone #			
		Fax #			

CC: J. Smith

Post-It® Fax Note	7671	Date	2/22/02	# of pages	4
To	Jeff Smith	From	Mark Miller		
		Co.	BPA		
		Phone #			
		Fax #			

Vendor Name	Cost Category	Check Number	Date Paid	Dollar Amount
Helser Industries	RM	2492	7/10/02	\$33,750.00
Reliable Steel	RM	2617	1/24/02	\$41,565.96
Protective Coating Consultants	S	2218	12/5/01	\$3,843.00
PHH Leasing	FA	1434	7/10/01	\$15,605.60
CSB Systems (ERP)	FA	2276	2/14/01	\$108,470.00
J.H. Kelly	CU	1239	5/29/01	\$139,367.97

- Longview's expenditure information shows the company spent \$125,000.00 and \$500,000 in loan payments to Great Lake Processing and Ableco Financing respectively. Please explain the nature of these loans. That is, are these payments being paid to a creditor, on an existing loan owed by Longview or is Longview providing finance to these companies? (Attachment #1)
- Longview's expenditure information shows the company spent \$3,280,552.97 to McCook Metals, LLC, in what is described as Acquisition investments to McCook. Please explain the nature of these payments. (Attachment #2)
- Longview's expenditure information shows the company spent \$2,505,304.76 for what is described as Other Investments. Two large payee's included in this total were Samuel & Son and Security Connecticut. Please explain the nature of the payments paid to Samuel & Son and Security Connecticut. (Attachment #2)
- During our review of Longview's Expenditure information we noted the total expenditures for Capital Upgrades (\$512,902.27) and Other Investments (\$2,505,304.76) could not be reconciled with the detail expenditures paid by \$30,350.46 (Attachment #1) and \$40,000.00 (Attachment #2) respectively. Please explain or provide us with the necessary reconciling dollar amounts paid (i.e., payee, check number, date, amount).

To facilitate any further review of the expenditure information Longview has provided, please retain in their annotated form all materials BPA has reviewed and returned to Longview.

Please call me at 503-230-4003 if you have any questions.

Sincerely,



Mark E. Miller
Account Executive

Enclosures:

Attachment #1

Analysis of Fixed Assets and Capital Upgrades

Vendor Name	Check		Amount
	Number	Date	
PHH Leasing	1434	7/10/01	\$15,605.60
Dell Financial Services	1608	8/27/01	\$33,644.47
SoftMart	1685	9/13/01	\$5,287.22
Wonder ware one year life	2239	12/5/01	\$30,620.00
CSB Systems (ERP)	2276	12/14/01	\$108,470.00
CSB Systems (Support)	2277	12/14/01	\$23,846.40
			<u>\$217,473.69</u>
J.H. Kelly	1239	5/29/01	\$139,367.97
J.H. Kelly	1415	7/10/01	\$87,887.36
J.H. Kelly	1475	7/23/01	\$146,530.81
J.H. Kelly (Voided)	1415	7/30/01	(\$87,887.36)
J.H. Kelly	1516	7/30/01	\$43,943.68
J.H. Kelly	1518	8/8/01	\$43,943.68
J.H. Kelly	1561	8/8/01	\$17,796.28
J.H. Kelly	1610	8/27/01	\$90,969.39
<i>Unreconciled Difference</i>			<u>\$30,350.46</u>
			<u>\$512,902.27</u>

Analysis of Loans

Vendor Name	Check		Amount
	Number	Date	
Keilin & Co.	1308	6/14/01	\$100,000.00 7c
Ableco Finance	1746	9/25/01	\$100,000.00 15c
Great Lakes Processing	Wire	10/17/01	\$75,000.00 17c
Ableco Finance Aquatic Lease	Wire	11/15/01	\$100,000.00 20c
Great Lakes Processing	2352	12/21/01	\$50,000.00 25c
Ableco Financing	2379	12/21/01	\$100,000.00 25c
Ableco Financing - Aquatic land Lease	Wire	1/7/02	\$100,000.00 26c
			<u>\$625,000.00</u>
Great Lakes Processing			\$125,000.00
Ableco Fees			<u>\$500,000.00</u>
			<u>\$625,000.00</u>

Attachment #2

Analysis of Acquisition Investments - To McCook

Vendor Name	Check Number	Date	Amount	
McCook Metals LLC	Wire	4/27/01	\$1,000,000.00	3c
McCook Metals LLC	Wire	6/29/01	\$300,000.00	8c
McCook Metals LLC	Wire	7/17/01	\$179,500.00	9c
McCook Metals LLC	Wire	7/18/01	\$168,000.00	9c
McCook Metals LLC	Wire	7/18/01	\$168,000.00	9c
McCook Metals LLC	Wire	7/20/01	\$141,930.75	9c
McCook Metals LLC	Wire	7/23/01	\$54,925.19	9c
McCook Metals LLC	Wire	7/24/01	\$149,666.29	10c
McCook Metals LLC	Wire	7/25/01	\$21,865.73	10c
McCook Metals LLC	Wire	7/26/01	\$37,790.98	10c
McCook Metals LLC	Wire	7/26/01	\$114,600.20	10c
McCook Metals LLC	Wire	7/27/01	\$66,961.77	10c
McCook Metals LLC	Wire	7/30/01	\$148,312.06	10c
McCook Metals LLC	Wire	7/31/01	\$317,000.00	10c
McCook Metals LLC	Wire	8/1/01	\$1,000,000.00	11c
McCook Metals LLC - Deposit	Wire	8/2/01	(\$588,000.00)	11c
			<u>\$3,280,552.97</u>	

Analysis of Acquisition Investments - Other

Vendor Name	Check Number	Date	Amount	
Edgar A. Stark Jr.	1093	4/25/01	\$4,386.40	3c
Samuel & Son	1288	6/7/01	\$100,000.00	6c
Security Connecticut - Lynch	1340	6/25/01	\$156,085.00	7c
Security Connecticut - McCall	1341	6/25/01	\$55,250.00	7c
Security Connecticut - Ohalski	1342	6/25/01	\$75,960.00	7c
Security Connecticut - Kolleng	1343	6/25/01	\$84,713.00	7c
Samuel & Son - Voided 8/9 - Valid 12 M.	1461	7/23/01	\$100,000.00	9c
Jenkins & Gilchrist	Wire	7/24/01	\$400,000.00	10c
Dynegy	Wire	7/26/01	\$369,400.00	10c
Samuel & Son - Stop Payment 8/9	1461	8/9/01	(\$100,000.00)	11c
Samuel & Son - Replace Stop Pymt.	Wire	8/9/01	\$100,000.00	11c
American Express	1566	8/15/01	\$15,554.08	12c
Samuel & Son	Wire	9/13/01	\$100,000.00	13c
Samuel & Son	Wire	9/26/01	\$100,000.00	15c
American Express	1841	10/12/01	\$29,469.78	16c
Samuel & Son	Wire	10/16/01	\$100,000.00	17c
Samuel & Son	Wire	10/29/01	\$150,000.00	18c
American Express	1927	11/1/01	\$24,486.50	18c
Samuel & Son	Wire	11/29/01	\$150,000.00	22c
Samuel & Son	Wire	12/12/01	\$100,000.00	24c
Samuel Son & Co.	Wire	12/13/01	\$150,000.00	26c
Samuel & Son	Wire	1/9/02	\$100,000.00	26c
Samuel & Son	Wire	2/1/02	\$100,000.00	30c
Unreconciled Difference			<u>\$40,000.00</u>	
			<u>\$2,505,304.76</u>	



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

March 1, 2002

In reply refer to: PT-5

Mr. John Kolleng
Longview Aluminum
111 West Washington, Suite 1655
Chicago, IL 60602

Dear Mr. Kolleng:

As you are aware, Direct Service Industrial (DSI) customers of the Bonneville Power Administration (BPA) electing to participate in the Conservation and Renewables Discount (C&RD) program are provided a \$0.50 per MWh discount to their Industrial Firm Power (IP) rate to enable investments in conservation and renewable resources. In an August 1, 2001, letter to Longview Aluminum, BPA established how the C&RD discount would be applied when a DSI is purchasing IP, participating in a Load Reduction, or exercising curtailment rights under Section 5 of the Subscription Contract.

Over the past few weeks, several DSI customers have expressed concerns regarding the credit provided when a DSI exercises its curtailment rights under Section 5. As established in the August 1, 2001, letter, BPA currently provides a C&RD credit for amounts curtailed under Section 5, thereby causing the DSI to incur an obligation to fund conservation or renewables under the C&RD program.

After reviewing the concerns expressed by customers, BPA has decided to revise its procedure and will not provide a C&RD credit for energy curtailed under Section 5. Customers also will not incur a conservation or renewable resources obligation under the C&RD program for energy curtailed under Section 5. This revised procedure will be applied retroactively, effective October 1, 2001. Longview Aluminum's future Wholesale Power Bills will be prepared reflecting this change. Any damages owed BPA for curtailed energy under Section 5 will be determined using the undiscounted IP-02 rate.

We appreciate the comments provided by the DSI customers. If you have any questions about this letter please feel free to contact me at 503-230-4003.

Sincerely,

A handwritten signature in cursive script, reading "Mark E. Miller", is located below the "Sincerely," text.

Mark E. Miller
Account Executive

Michigan Avenue Partners, L.L.C.

111 W. Washington Street
Suite 1655
Chicago, Illinois 60602
(312) 456-9620
Facsimile: (312) 456-9626

Via Fax

March 27th, 2002

Mr. Scott Wilson
Account Executive
Bonneville Power Administration PT-5
905 N. E. 11th Avenue
Portland, OR 97232

Re: Longview Aluminum LLC.

Dear Mr. Wilson:

Because of ongoing labor negotiations, Longview Aluminum will not be in a position to restart the Longview Smelter on April 1, 2002. By this letter we are therefore notifying BPA of Longview's curtailment of 97 megawatts (mw) for the entire month of April.

In terms of calculating any Purchase Deficiency under the Bonneville Power Administration (BPA) power sales agreement with Longview, and any damages associated with such a deficiency, Longview selects the calculation method described in Section 6 (a) (2) (B) of said agreement. Since the forward market for April 2002 is currently above BPA's IP-02 rate for that month, we are assuming there will be a modest credit due Longview (as opposed to any damages due BPA) for April. Please advise us of the amount of such credit, when convenient, and plan to apply it to Longview's purchase obligation, and/or any associated damages amount due BPA, for the third quarter of calendar year 2002 (i.e. July 1st-September 30th, 2002).

It is still our hope to resolve our outstanding labor issues and restart the Longview smelter. However, current events are, in substantial part, out of our control. We regret the planning uncertainty that such events have created for BPA and will do our best to resolve these non-power issues as quickly as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Lynch", with a long horizontal flourish extending to the right.

Michael Lynch
Chairman

Cc: John Kennedy/Shefsky & Froehlich
Jeff Smith/Patton & Boggs
John Kolleng/Longview Aluminum



Longview Federated Aluminum Council

Composed of A.F.L. - C.I.O. Local Unions

618 14th Ave., Suite C
Longview, Washington 98632

Office: (360) 636-4310
FAX: (360) 578-9182

Foster, David A.
2829 University AVE SE. Suite 100
Minneapolis, MN. 55414

May 31, 2002

Director Foster, as president of the Longview Federated Aluminum Council I request assistance from the Untied Steel Workers of America in our up coming negotiations with Longview Aluminum and parent company Michigan Avenue Partners.

In solidarity

A handwritten signature in cursive script that reads "Wesley E. Wheeler".

Wesley E Wheeler

cc Gaylan Prescott
cc Ray Peirson

LONGVIEW ALUMINUM LLC.

FACSIMILE TRANSMITTAL SHEET

TO:

MARK MILLER

FROM:

John Kolleng

COMPANY:

BPA

DATE:

7/3/02

FAX NUMBER:

503-230-3681

TOTAL NO. OF PAGES INCLUDING COVER:

PHONE NUMBER:

SENDER'S REFERENCE NUMBER:

312-456-9620

RE:

YOUR REFERENCE NUMBER:

312-456-9626

☐ URGENT☒ FOR REVIEW☐ PLEASE COMMENT☐ PLEASE REPLY☐ PLEASE RECYCLE

NOTES/COMMENTS:

Longview Aluminum L.L.C.

4029 Industrial Way • P.O. Box 2484 • Longview, Washington 98632-7598

July 2, 2002

Mr. Mark E. Miller
Account Executive
U.S. Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

Re: *Notice of Force Majeure*

Dear Mr. Miller:

I am writing to advise you of an Uncontrollable Force arising under the Block Power Sales Agreement executed by the Bonneville Power Administration and Longview Aluminum, LLC (the "Agreement").

Under Section 13 of the Agreement, Longview Aluminum, LLC ("Longview") is obligated to notify the Bonneville Power Administration ("BPA") "as soon as practicable" of its inability to meet its obligations under the Agreement due to an Uncontrollable Force. By this letter, Longview is providing BPA of such notice.

Section 13(1)(d) defines an Uncontrollable Force to include "(a) strikes or work stoppages, including the threat of imminent strikes or work stoppages." Section 13 further provides that, "Nothing contained in the provision shall be construed to require either party to settle any strike or labor dispute in which it may be involved." Longview is the subject of a threatened or imminent strike by the United Steel Workers ("USW").

Longview has been negotiating with the USW since March 26, 2002. Longview representatives have spent eight days in face-to-face negotiations with USW representatives. The USW has been unwilling to agree to any of the Longview proposals that have been submitted to the USW. The USW are proposing wage and benefit increases in excess of 19% over the Longview proposal in the first year and in excess of 32% over four years. In addition they are insisting on going forward on interest arbitration for 2001. Based on our negotiations,

Longview has concluded that the USW will strike the plant if Longview imposes its final proposal. There does not appear to be any basis for settlement. Longview has reached an impasse with the USW on numerous issues.

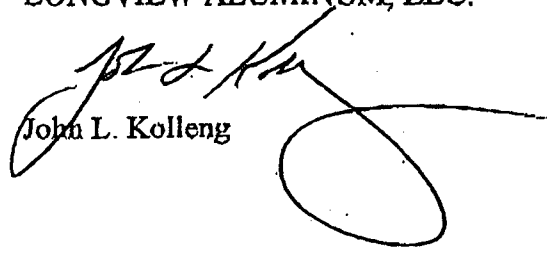
As a result of the occurrence of the Uncontrollable Force described above, Longview is relieved of its obligations under the Agreement, including its obligation to purchase 280 MWs each hour, for the duration of the Uncontrollable Force, and for the period required by Longview to restore operations.

Longview will continue to attempt to resolve this labor dispute. We may employ other traditional company actions as we move toward resolution.

We regret that circumstances force Longview to take this action. We have attempted to resolve this matter, but are unable to do so.

Very truly yours,

LONGVIEW ALUMINUM, LLC.


John L. Kolleng

LAW OFFICES
LMDBLT
 Laner, Michael, Dombrow, Becker, Brown, & Tomlinberg
 L T D

July 8, 2002

VIA FACSIMILE & REGISTERED U.S. MAIL

Mr. Jerome Buckley, Jr.
 Carney, Buckley, Hays & Marsh
 911 S.W. Naito Parkway
 Suite 410
 Portland, Oregon 97204

Re: Longview Aluminum LLC

Dear Mr. Buckley:

On March 24, 2002, Mr. Wes Wheeler gave the Company notice of termination of the collective bargaining agreement. On May 1, 2002, Mr. John Kolleng gave notice to the Union of its intention to terminate the Agreement effective May 31, 2002.

The parties have had seven formal bargaining sessions, as well as at least one "local issue" meeting. Throughout the negotiations, the Company has stated it wants to begin plant operations. In order to do so, the Company needs a five-year agreement that will allow it to be competitive and profitable. The Company has supplied and continues to supply the Union literally with reams of information that it has requested.

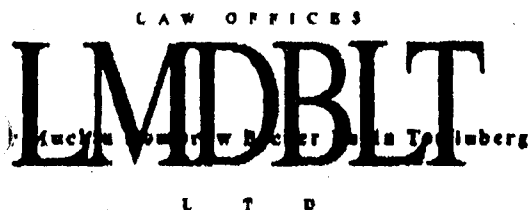
In spite of all these meetings, the Union has not agreed with one single proposal made by the Company. In fact, there has not been one substantive agreement reached of any kind, except possibly for the proposals which have been dropped by the Company. Then at the last negotiation meeting, the Union presented economic demands which the Company estimates would increase current wage and fringe benefit costs during the first four years almost 21% from current levels. The additional cost in the fourth year alone is almost \$5,000,000 per year. This does not even take into account that in order to be competitive, the Company must reduce its current wage and benefit costs, and it does not take into account additional costs that would be required for the fifth year.

The Union also is aware that the Company has been continuing to pay hundreds of thousands of dollars each month for health insurance and other costs, in spite of the fact that the plant is not operating. In the coming weeks, these costs will escalate even further.

515 North State Street Suite 2800 Chicago Illinois 60610.4324
 Phone 312.467.9800 Fax 312.467.9479 Website: www.lmdblt.com

William L. Becker Thomas Bradley Robert H. Brown Jeffrey P. Catten Violet
 M. Clark James J. Convery Anthony E. Dombrow
 Jeffrey S. Fowler Joseph M. Gagliardo Scott A. Gore Maureen A. Gorman Gregory R. James, Jr. Mark L. Juster Michael Klupchak
 Robert S. Letchinger Alan M. Levin Arthur B. Muchin Jennifer A. Naber Jill P. O'Brien Clifford R. Perry III Janice M. Raven
 Neil P. Stern Carl S. Tomlinberg James F. Vanek Thomas Vasiljevich Gary A. Wincek Joseph H. Yastrow

Mark W. Bennett Robert T. Bernstein Joshua A. Dombrow Joanna G. DuPriest Robert S. Forman Andrew S. Goldberg
 Aaron D. Graves Kristin L. Karther Monica B. Lasky David Manjares Ines M. Monte Katherine O. Porter Marc J. Siegel Danielle S. Singer
 Retired of Counsel Isaiah S. Dorfman Herman J. DeKoven Richard W. Laner
 Seymour Cohen (1917-2000) Lawrence F. Doppelt (1935-1979)



Mr. Jerome Buckley, Jr.
July 8, 2002
Page 2

Regrettably, the Company has concluded that it has no choice other than to immediately exercise its legal and contractual rights to lockout employees. Therefore, this letter is notifying you and the Union that pursuant to Article 26 of the collective bargaining agreement, the Company is locking out the employees effective July 8, 2002.

Employees will be sent information so that they can pay the appropriate amounts to maintain the benefits covered under COBRA.

Very truly yours,

Longview Aluminum LLC

By: Arthur B. Muchin
Arthur B. Muchin *ABM*

ABM:pr
cc: Mr. Gaylan Prescott
Mr. John Kolleng
Mr. Lou Locke



United Steelworkers of America

District 11

2829 University Avenue SE
Suite 100
Minneapolis, MN 55414
(612) 623-8045
(612) 623-8854 Fax

David A. Foster • Director

July 9, 2002

Sent by fax to - 312-467-9479

Arthur B. Muchin
Longview Aluminum LLC
515 North State Street
Suite 2800
Chicago, IL 60610-4324

Dear Mr. Muchin,

I write in response to your letter of July 8, 2002 announcing the decision of Longview Aluminum LLC to lock out its employees effective immediately.

Please be advised that the Longview Federated Aluminum Council and the United Steelworkers of America believe that this lock out is unlawful since Longview Aluminum has committed a variety of unfair labor practices including, but not limited to, 1) unilaterally changing the terms and conditions of employment, 2) failing to bargain in good faith and 3) bargaining over the unions' objections on permissive subjects of bargaining. As the lockout is in support of the company's unlawful conduct, it is an unlawful lockout.

In addition, I want the record to be clear that at no time since the collective bargaining agreement between Longview Aluminum and LFAC expired on May 1, 2002 has LFAC or the USWA threatened to strike Longview Aluminum. In fact, our unions have continued to provide to Longview Aluminum whatever employees the company has required.

In order to be unequivocally clear on this matter, please be advised that LFAC and the USWA remain unconditionally ready to continuing working without a contract while the parties negotiate for a new contract. We demand that you end this illegal lockout so that we may return to work.

Finally, it is our understanding that the Company told the Bonneville Power Administration that the parties are at impasse on many subjects. This is a false assertion. For one thing, Longview's unlawful bargaining tactics have precluded the possibility of a valid bargaining impasse between the parties. And, what is more, we have only had the opportunity to make one economic proposal to the company.

Mr. Muchin, end this illegal lockout. Return to the bargaining table and bargain in good faith. We expect that your actions of yesterday will not affect our previously scheduled negotiating sessions of July 16 and 17.

Please feel free to contact us for further discussions.

Sincerely,

A handwritten signature in black ink, appearing to read "D. A. Foster".

David A. Foster, Director
USWA District #11

A handwritten signature in black ink, appearing to read "Wesley S. Wheeler".

Wes Wheeler, President
LFAC



United Steelworkers of America

District 11

2829 University Avenue SE
Suite 100
Minneapolis, MN 55414
(612) 623-8045
(612) 623-8854 Fax

David A. Foster • Director

July 9, 2002

Sent by fax to - 503-230-3681

Mark Miller
Customer Account Executive
Bonneville Power Administration
905 N.E. 11th Avenue
Portland, OR 97208-3621

Dear Mark,

I write in response to your inquiry of July 8, 2002 concerning the status of negotiations between the Longview Federated Aluminum Council and Longview Aluminum LLC for a new labor agreement. Please be assured that at no time in our negotiations with Longview Aluminum has the USWA or LFAC "threatened" a strike against that company. Nor is a strike "imminent." In fact, on July 8, 2002 representatives of Longview Aluminum unilaterally and without warning informed LFAC and the USWA that it was locking out its employees effective immediately.

Since the current collective bargaining agreement between Longview Aluminum and LFAC expired on May 1, 2002, LFAC and the USWA have continued to provide whatever employees were required to perform work in the plant. As you can see from the attached letters, LFAC and the USWA believe that Longview's lock out is unlawful. In addition, we have informed Longview that LFAC and the USWA are prepared to continue working unconditionally while negotiations continue.

LFAC and the USWA further dispute Longview Aluminum's claim that the parties are at impasse. Under U.S. labor law a company that bargains in bad faith and locks employees out in support of its unlawful bargaining, cannot reach a valid impasse. LFAC and the USWA will be pursuing this and other unfair labor practices before the National Labor Relations' Board.

In response to your questions concerning the status of the Longview workforce, please be advised that on or about April 1, 2002, Longview Aluminum laid off all but approximately 11 of its hourly workers. Approximately 590+ hourly employees were then on lay off. Effective July 8, 2002 the 11 remaining hourly workers performing various maintenance and environmental duties in the plant were locked out. Currently, no hourly production and maintenance employees are working at the Longview smelter because of the unlawful lockout.

Please feel free to call me with any additional questions.

Sincerely,

A handwritten signature in black ink, appearing to read "D. A. Foster".

David A. Foster, Director
USWA District #11



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

July 11, 2002

In reply refer to: PT-5

Mr. John Kolleng
Longview Aluminum, LLC
111 West Washington, Suite 1655
Chicago, IL 60602

Dear Mr. Kolleng:

This letter responds to your July 2, 2002, letter to the Bonneville Power Administration (BPA), in which Longview Aluminum (Longview) asserts it is experiencing an Uncontrollable Force event which relieves Longview of its obligation to purchase 280 MWs each hour under the Block Power Sales Agreement (Agreement) for the duration of the Uncontrollable Force, and for the period required by Longview to restore operations. The alleged cause of the Uncontrollable Force event is a "threatened or imminent strike" by the United Steel Workers of America (USWA).

Shortly after receiving your letter, BPA contacted the USWA to confirm whether a strike or work stoppage has been called by the USWA, or whether the USWA has threatened an imminent strike or work stoppage. In response to our request for information, the USWA sent BPA a letter on July 9, 2002, a copy of which is enclosed.

Among other things, the USWA states that at no time during the current labor negotiations have either USWA or Longview Federated Aluminum Council (LFAC) representatives, threatened a strike against Longview, and that a strike is not imminent. The USWA letter states that since the current collective bargaining agreement between Longview and the LFAC expired in May, the LFAC and the USWA have continued to provide whatever employees were required to perform work at the Longview plant, and have informed Longview the unions are "prepared to continue working unconditionally while negotiations continue." In fact, the USWA states in its letter that on July 8, 2002, Longview informed LFAC and the USWA that it was locking out its employees effective immediately. A lockout is not a strike or work stoppage, and the act of locking out employees, regardless whether such action is legally permissible or justified, is not an Uncontrollable Force event under the Agreement.

Based on the USWA's statements, it appears there is no Uncontrollable Force event at Longview based on an existing or threatened imminent strike or work stoppage. It is our understanding that on or about April 1, 2002, Longview laid off approximately 590 of approximately 600 hourly employees. Plant operations, and power deliveries under the Agreement, have been fully curtailed at Longview's election since that time. Apparently, Longview has decided to maintain

the curtailment status quo based on the unfavorable economics surrounding a restart of the facility at this time. While that decision is understandable, it does not trigger the Uncontrollable Forces provision of the Agreement, which expressly exempts market conditions or the economic hardship of a party. I would note that the mere failure of the LFAC and Longview to come to terms on a new labor agreement - absent an existing or threatened imminent strike or work stoppage - also is not an Uncontrollable Force event. We welcome your perspective on this new information.

Given the information provided to us, however, we expect BPA and Longview to operate under the terms of the Agreement assuming no triggering of the Uncontrollable Force provision. As we discussed in a phone conversation on July 9, it is extremely important that Longview continue to notify BPA pursuant to the terms of the Agreement if it wishes to continue to curtail deliveries of power. Absent such notification, Longview will be obligated to pay BPA the full price for all unused power, without benefit of the take-or-pay mitigation provided by Section 6 of the Agreement.

Sincerely,



Mark E. Miller
Account Executive

Enclosure



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

July 12, 2002

In reply refer to: PT-5

Mr. John Kolleng
Longview Aluminum, LLC
111 West Washington, Suite 1655
Chicago, IL 60602

Re: Curtailment Agreement, Contract No. 01PB-10786

Dear Mr. Kolleng:

We have reviewed Longview Aluminum expenditure information that you provided on February 13, 2002, and the documentation provided in response to our February 22, 2002, request for information. While the documentation provided in response to our request was helpful in resolving many of our questions, some questions have not been answered and still require clarification to ensure Longview Aluminum expenditures qualify under the subject contract.

The following is a summary of additional information and documentation we would like to review:

- In our February 22, 2002, request for information we asked for an explanation regarding the nature of \$125,000 and \$500,000 in loan payments paid to Great Lake Processing and Ableco Financing respectively. We reviewed the documentation you provided in response to our request. That documentation did not answer our question. Since we do not know what these payments were for, we do not know precisely what questions to ask regarding them. Therefore, in your response, please provide a clear explanation with supporting documentation explaining the purpose/nature of the payments. For example, if the payments were paid on an existing loan, we need to know the date of loan, the original amount borrowed, how the original proceeds were used, and any amounts still owing on the loan. Please provide a written response describing the nature of these payments.
- In our February 22, 2002, request for information we asked for an explanation regarding expenditures totaling \$3,280,552.97 on a category of costs referred to as 'Acquisition Investments to McCook'. We reviewed the documentation you provided in response to our request, and the documentation Ms. Maida S. Kelly (Preston Gates Paralegal) brought us to examine. While the documentation you provided infers a purpose for the payments, it did not clearly describe that purpose, nor did it answer our question. Since we do not know what these payments were for, we do not know precisely what questions to ask regarding them.

Therefore, in your response, please provide a clear explanation with supporting documentation explaining the purpose/nature of the payments. For example, if the payments were paid on an existing loan, we need to know the date of loan, the original amount borrowed, how the original proceeds were used, and any amounts still owing on the loan. Please provide a written response describing the nature of these payments.

- In our February 22, 2002, request for information we asked for an explanation regarding the nature of payments paid to Samuel & Son and Security Connecticut that were included in expenditure summary cost category 'Other Investments'. While you provided information regarding Security Connecticut (i.e., key officers life insurance premium payments), you failed to provide information regarding Samuel & Son (\$1,250,000). Please provide documentation and an explanation describing the purpose and nature for the payments paid to Samuel & Son.
- In our February 22, 2002, request for information we asked to review the underlining insurance invoices and policies pertaining to various categories of insurance that totaled \$1,242,812. In response to our request you provided us with invoices and policy documentation pertaining to various insurers. Included in that documentation was a schedule showing six payments to Imperial A.I. Finance that totaled \$66,211.83. However, there were no invoices or insurance policies included in the documentation supporting these payments. Please provide invoice documentation supporting the six payments to Imperial A.I. Finance. The following is a summary of the six-payment schedule included in your documentation.

	DATE	AMOUNT
Imperial A.I. Finance	9/7/01	\$14,749.88
Imperial A.I. Finance	9/14/01	\$10,292.39
Imperial A.I. Finance	10/12/01	\$10,292.39
Imperial A.I. Finance	11/15/01	\$10,292.39
Imperial A.I. Finance	12/17/01	\$10,292.39
Imperial A.I. Finance	1/15/02	\$10,292.39
		<u>\$66,211.83</u>

Please provide an estimate to me by COB July 17, 2002, when you will be able to deliver responses to the above questions. To facilitate any further review of the documentation Longview has provided, please retain in their annotated form all material BPA has reviewed and returned to Longview. Please call me at 503-230-4003 with any questions.

Sincerely,



Mark E. Miller
Account Executive

CONFIDENTIAL

VIA FACSIMILE
503 230-3681

July 17, 2002

Mr. Mark E. Miller
Customer Account Executive
Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

Dear Mr. Miller:

In your July 12, 2002 letter to John Kolleng of Longview Aluminum, LLC ("Longview"), you requested that Longview provide you with an estimate by not later than the close of business today of when Longview will be able to deliver responses to the questions presented in the July 12, 2002 letter.

Longview estimates that Longview will provide all responses by Wednesday, July 31, 2002.

Sincerely,



Michael Lynch
Chairman
Longview Aluminum, LLC

THE INFORMATION CONTAINED IN THIS LETTER IS CONFIDENTIAL AND IS
SUBJECT TO THE CONFIDENTIALITY AGREEMENT DATED JANUARY 29, 2002
BETWEEN LONGVIEW AND BPA (CONTRACT NO. 02BP-11095)



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

02 JUL 24 AM 10: 06

POWER BUSINESS LINE

July 22, 2002

In reply refer to: PT-5

Mr. John Kolleng
Longview Aluminum, LLC
111 West Washington, 1655
Chicago, IL 60602

Dear Mr. Kolleng:

Longview Aluminum, LLC (Longview) is receiving the Conservation and Renewables (C&R) Discount under the terms of Block Power Sales Contract No. 01PB-10769 (Block Agreement) between the Bonneville Power Administration (Bonneville) and Longview. The purpose of this letter is to:

1. advise Longview of its C&R Discount eligibility for Fiscal Year 2002 (FY02);
2. advise Longview that C&R Discount program amounts will be included in software developed to track and report the status of Longview's credit and expenditures balance over the rate period;
3. review certain reporting requirements; and
4. review audit requirements specified in the C&R Discount Implementation Manual.

C&R Discount Amount

The amount of Longview's C&R Discount annual eligibility is the product of the 0.5 mill/kWh discount rate and Longview's Subscription Entitlement.

Fiscal Year	Subscription Entitlement		Annual C&R Discount Eligibility
	(aMW)	(kWh)	
2002	95	836,540,000	\$418,270

This table lists Longview's FY02 eligibility assuming no energy curtailment is exercised under Section 5 of the Block Agreement during FY02. The C&R Discount is not credited for energy curtailed under Section 5. So far, Longview has elected to curtail the majority of its purchases under the Block Agreement. Longview will be credited \$6,587 for FY02 at Longview's current purchase and curtailment levels.

C&R Discount Tracking and Reporting Software

Over the course of the 2002-2006 rate period, the cumulative amount of the C&R Discount credit received and the dollar amount of qualifying conservation and/or renewables completed by Longview must be tracked. To assist customers in tracking the credit received and the amount of

the obligation that has been satisfied, a contractor, Synergy Consulting, Inc., was hired as C&R Discount System Administrator to develop C&R Discount Tracking and Reporting Software (Software). For the Software to keep track of the annual amounts of your C&R Discount, Bonneville must provide the annual credit amount of the C&R Discount and any adjustments to Synergy Consulting, Inc. Bonneville and Synergy will treat the amount of your C&R Discount as proprietary. If you do not want this information released to Synergy, it will be more difficult to compare obligations and expenditures. If you are unwilling to share this information with Synergy, please notify Bonneville in writing by August 15, 2002.

Annual Report

Longview is required to submit an annual C&R Discount report specifying the amount of expenditures claimed under the program and the amount of C&R Discount credit received to date. This process is described in Section 9 of the C&R Discount Implementation Manual. The first report is due on or before October 30, 2002, showing cumulative qualifying expenditures for the period October 1, 2001 through September 30, 2002, the amount of the cumulative C&R Discount received, plus C&R Discount credit expected and planned expenditures over the five-year period of the program. The C&R Discount Tracking and Reporting Software includes a menu-driven report feature that makes preparation of the annual C&R Discount report easy.

Certification of Incremental Spending

Each Annual Report and the Final Reconciliation Report that Longview submits shall also include language certifying that the expenditures documented in the report are incremental increases in Longview's budget for the current operating year beyond what Longview planned to spend absent the C&R Discount.

Measure Approval

Any measures and activities for which the Regional Technical Forum (RTF) has insufficient information to "deem" savings or to specify a calculation method for "deemable" savings must be pre-approved by the RTF. For these measures and activities, the RTF has defined a set of evaluation and verification protocols in "Energy Savings Verification Protocols Conservation and Renewable Resources Discount", Appendix P of the C&R Discount Implementation Manual.

Audits and Agreed Upon Procedures

In order to reduce administrative costs, the C&R Discount Program relies on Longview's established audit procedures to ensure that the information submitted to Bonneville in Longview's annual C&R Discount Report is supported by adequate documentation and accounting records. Details of this requirement are explained in the C&R Discount Implementation Manual, Section 9.4, Audits and Agreed Upon Procedures.

Section 9.4 requires Longview to provide Bonneville verifiable documentation confirming such accounting procedures exist. For this reason, it will be necessary for the Certified Public Accountant (CPA) certifying your financial statements to review your C&R Discount documentation and accounting procedures. The CPA must provide Bonneville a brief

description of accounting policies and procedures, plus certify that these accounting policies and procedures are capable of documenting the basis for the C&R Discount claims for credit. An explanation how Bonneville can gain access to supporting accounting records should also be included. For example, if your policy and procedure is to maintain a file for each measure claimed, you should provide: (1) a statement to this effect along with a brief statement of how these files can be located; and (2) a letter from the CPA stating these files and tracing procedures exist. Audit costs are an allowable administrative cost for the C&R Discount Program.

If you have any questions regarding the above, please do not hesitate to contact me at (503) 230-4003. If you or your CPA have specific questions about the Audits and Agreed Upon Procedures you are also welcome to contact Neil Gorter, Bonneville Auditor assigned to the C&R Discount Program. His phone number is (503) 230-3438.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Miller". The signature is fluid and cursive, with the first name "Mark" and last name "Miller" clearly distinguishable.

Mark E. Miller
Account Executive

cc:

K. Runzler – LP-7

M. Johnson – PNG-1

T. Hannon – PNF-Spokane

C. Barter – PTS-5

H. Clark – PTS-5

M. Hansen – PTS-5

Official File – PT (PM-11)

HClark:sjw:3662 (W:\P\PSB\PM\DSI\McCook\72202LongviewCRD.doc)

CUMMINS & CRONIN, LLC

ATTORNEYS AND COUNSELORS

77 WEST WACKER DRIVE

SUITE 4800

CHICAGO, ILLINOIS 60601

PHONE: (312) 578-0500

FAX: (312) 578-1234

ROBERT P. CUMMINS
rpc@cumminscronin.com

THOMAS C. CRONIN
tcc@cumminscronin.com

TELECOPIER TRANSMITTAL COVER SHEET

TO: Mark Miller **TELECOPIER No.:** 503-230-3681
FROM: John Kolleng
DATE: July 29, 2002 **TIME:** 9:29 am
CLIENT/MATTER NO.: **OPERATOR:** jam
TOTAL NUMBER OF PAGES BEING SENT, INCLUDING THIS PAGE: 3

Message:

If you did not receive all pages, or if you have any questions, please call (312)578-0500.

THE INFORMATION CONTAINED IN THIS TELECOPIED MESSAGE, INCLUDING ANY ENCLOSURES, IS ATTORNEY PRIVILEGED AND/OR CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE AS ADDRESSEE. THE REVIEW, DISSEMINATION, DISTRIBUTION, OR COPYING OF THIS COMMUNICATION BY OR TO ANYONE OTHER THAN THE INTENDED ADDRESSEE IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE, AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U. S. POSTAL SERVICE. THANK YOU.

Longview gave Bonneville notice of the occurrence of an Uncontrollable Force on July 2, 2002. Notwithstanding that notice, Longview is providing this notice of curtailment to Bonneville to enable Bonneville to secure a reasonable market value for the amount curtailed. If it is established that Longview did not suffer the occurrence of an Uncontrollable Force, then the amount Longview owes to Bonneville shall be determined pursuant to the curtailment notice and the curtailment provisions of the Block Power Sales Agreement.

K. Runzler

LONGVIEW ALUMINUM

111 West Washington Street
Suite 1655
Chicago, Illinois 60602

July 31, 2002

Mr. Mark E. Miller
Account Executive
U.S. Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

Confidential Communication

Dear Mr. Miller:

I am writing on behalf of Longview Aluminum, L.L.C. in response to second and third requests of the letter dated July 12, 2002, from you on behalf of the Bonneville Power Administration ("BPA") to me. Requests two and three ask that Longview provide BPA with a written explanation of the purpose and nature of certain payments totaling \$3,280,552.97 which Longview made to McCook (the "McCook Payments") and certain payments totaling \$1,250,000 which Longview made to Samuel & Son (the "Samuel & Sam Payments") and related documentation.

McCook Payments

Longview, as maker, signed a Term Note payable to McCook, as payee, dated February 27, 2001, in the original principal; amount of \$7,826.959 (the "Term Note"). The Term Note was intended to memorialize an obligation of Longview to pay McCook for certain payments which McCook had advanced to third parties on behalf of Longview relating to the acquisition by Longview of the aluminum plant in Longview, Washington, and acquisition, financing and/or other fees, costs and expenses in connection with such acquisition. Longview takes the position that the McCook Payments constitute pay down of amounts that Longview owed McCook under the Term Note (or any account receivable obligation which Longview owed to McCook which was substituted for the Term Note).

Samuel & Son Payments

Samuel, Son & Co., Limited and affiliated entities ("Samuel & Son") has been a customer of McCook and thus owed McCook payments for aluminum products which Samuel &

Mark Miller
July 31, 2002
Page 2

Son purchased from McCook. Under a letter agreement between McCook and Samuel, Son Chicago Ltd. dated May 26, 1999 (the "Letter Agreement"), Samuel had the right to set off certain amounts identified in the Letter Agreement against the payments which Samuel & Son owed McCook for the purchase of aluminum products. In 2001, Samuel & Son asserted that it had the right under the Letter Agreement to setoff approximately \$2,500,000 against obligations which Samuel & Son owed McCook for aluminum products.

Longview made payments to Samuel & Sons which totaled \$1,250,000 as of February 6, 2002 and which total approximately \$2,300,000 as of the date of this letter, and has applied those payments as a credit against the amounts that Longview owed McCook under the Term Note (or any account receivable obligation which Longview owed to McCook which was substituted for the Term Note). The payments which Longview made to Samuel & Son reduced the amount which Samuel & Son was entitled to setoff against McCook under the Letter Agreement, thereby providing a financial benefit to McCook. Longview understands that, as of the date hereof, McCook has collected from Samuel & Son all amounts which Samuel & Son owes McCook.

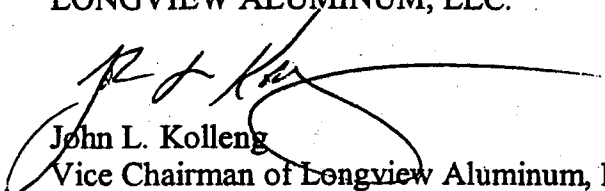
Additional Matter

Copies of the Term Note and the Letter Agreement are attached. The Term Note, the Letter Agreements, the payments which Longview has made to McCook, the payments which Longview has made on behalf of McCook, and the transactions related thereto are the subject of adversary proceedings pending in the McCook bankruptcy estate. The adversary proceedings are in a preliminary stage. Disputes currently exist between Longview and the McCook bankruptcy trustee as to the facts and the legal implications thereof. Of course, Longview will advise BPA of developments in the bankruptcy litigation, if any, that bear on the BPA audit inquiries related to the matters addressed in this letter.

This letter and the enclosed documents constitute confidential information and documents subject to the Confidentiality Agreement dated January 29, 2002, between Longview and BPA (Contract No. 02BB-11095).

Very truly yours,

LONGVIEW ALUMINUM, LLC.



John L. Kolleng

Vice Chairman of Longview Aluminum, LLC.

COPY

TERM NOTE

US \$7,826,959

February 27, 2001
Chicago, Illinois

FOR VALUE RECEIVED, the undersigned, Longview Aluminum LLC, a Delaware limited liability company ("Borrower"), HEREBY PROMISES TO PAY to the order of McCook Metals LLC, ("Lender"), at its address at 4900 First Avenue, McCook, Illinois, 60525, or at such other place as Lender may designate from time to time in writing, in lawful money of the United States of America and in immediately available funds the amount of SEVEN MILLION EIGHT HUNDRED TWENTY-SIX THOUSAND, NINE HUNDRED AND FIFTY-NINE DOLLARS (\$7,826,959) on or before August 28, 2002

The outstanding principal balance of this Term Note shall bear interest at the rate equal to the prime rate from time to time in effect as reported in the Wall Street Journal. Interest shall be due and payable concurrently with the payment of principal due hereunder. For purposes of this Term Note, "Business Day" means each day on which banks are authorized to transact business in Chicago, Illinois, and "Event of Default" means any of the following:

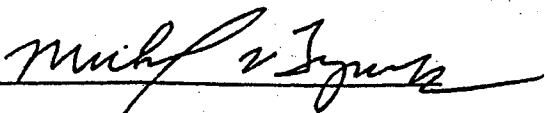
- (i) Borrower fails to pay when due any installment of principal or interest due hereunder.
- (ii) Borrower defaults in the payment of any other indebtedness owing by it or payment of such other indebtedness is accelerated.
- (iii) Borrower (x) files or has filed against it a petition under Title 11 of the United States Code, as amended (y) makes an assignment for the benefit of creditors, or (z) consents to the appointment of an custodian, receiver, trustee or liquidator for all or part of its assets or the filing of a petition under Title 11 of the United States Code with respect to Borrower.

If any payment on this Term Note becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension.

Upon and after the occurrence of any Event of Default, this all amounts payable under this Term Note without demand, notice or legal process of any kind, immediately shall become due and payable. Time is of the essence of this Term Note. Demand, presentment, protest and notice of nonpayment and protest are hereby waived by Borrower.

THIS TERM NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS APPLICABLE TO CONTRACTS MADE AND PERFORMED IN THAT STATE.

LONGVIEW ALUMINUM LLC

By: 
Title: Chairman

May 26, 1999

Samuel, Son Chicago Ltd.
c/o Samuel, Son & Co., Limited
2360 Dixie Road
Mississauga, Ontario
L4Y 1Z7

Re: Confirmation of Offset Rights

Gentlemen:

This letter is being delivered to you by McCook Metals L.L.C. ("McCook") in accordance with the terms and conditions of Sections 2.04 and 9.01(f) of that certain Asset Purchase Agreement dated May 26, 1999 (the "Agreement") between Samuel, Son Chicago Ltd. ("Chicago") and Great Lakes Metals, L.L.C. ("Metals"). All defined terms used in this letter which are not otherwise defined herein shall have the meanings ascribed to them by the Agreement. By means of this letter, McCook confirms to you that Samuel (or any entity affiliated with Samuel) may offset against sums due to McCook (or Scottsboro Aluminum, L.L.C. ("Scottsboro")) under the following circumstances:

- (i) In the event that Metals shall not have refunded to Chicago any amounts constituting reconciliation of the Royalty from the Royalty Advance as prescribed in the Agreement, then the Samuel Group shall unilaterally be entitled to set-off such reconciliation amount from any and all outstanding amounts owing by any Entity within the Samuel Group to McCook or Scottsboro.
- (ii) In the event of any failure of Metals to indemnify and hold harmless Chicago from an Indemnity Event as prescribed in the Agreement following the occurrence of such Indemnity Event, Chicago and/or the Samuel Group shall unilaterally be entitled to reimbursement for such Indemnity Event by effecting reconciliation and set-off against any and all outstanding amounts owing by any Entity within the Samuel Group to McCook or Scottsboro.

Prior to commencing any litigation against Metals pursuant to the Agreement to either recover the Royalty Advance or enforce the indemnity of Metals in Section 9.01 of the Agreement, Chicago hereby acknowledges and confirms that it shall first seek to utilize the offset mechanism prescribed in this letter with respect to McCook and Scottsboro, and shall only commence litigation against Metals in the event that its claim remains unsatisfied for any reason therefor.

Sincerely,
McCOOK METALS L.L.C.

By: *Mich. L. Syre*

Title: _____

Acknowledged and agreed

Samuel, Son Chicago Ltd.

By: _____

Date: _____

[Signature]
May 26, 1997

LONGVIEW ALUMINUM LLC
111 W. WASHINGTON ST.
CHICAGO, IL 60602

J. WRIGHT - BP-7
K. Runzler - LP-7
S. Oliver - PT-5
H. Clark - PTS-5
S. Wilson - PT-5
sjw:09/09/02

September 9, 2002

Mr. Mark Miller
Bonneville Power Authority
Portland, Oregon

Re: Longview Aluminum LLC/Force Majeure

Dear Mark:

I am writing to advise you that there will be an additional delay in providing our final information on Longview's Force Majeure claim. The USWA has refused to meet with us over the last three weeks. We are hoping to meet with them the week of September 16, 2002. I will keep you advised.

We have been watching with interest the press releases concerning Brett Wilcox's negotiations with the BPA. I assume all the DSI's will be given the same favorable treatment Wilcox is getting.

Since these negotiations are public I would appreciate getting a draft of the proposed Wilcox agreement. Please fax it to 312-456-9626.

Please do not hesitate to call me with any questions.

Very truly yours,


John L. Kolleng

Cc: Michael W. Lynch
Steve Wright
Mike Driver



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

November 22, 2002

In reply refer to: PT-5

Mr. John Kolleng
Longview Aluminum, LLC
II First National Bank Plaza
20 South Clark Street, 850
Chicago, IL 60603

Dear Mr. Kolleng:

On October 25, 2002, the Bonneville Power Administration (BPA) sent you a letter regarding Longview Aluminum's (Longview) overdue power bill for July 2002. In the letter BPA offered to reduce the amount of the bill in exchange for immediate payment, and notified Longview that absent payment the bill would be referred to the United States Department of Treasury. BPA has not received any reply from Longview.

Longview's July 2002 bill is now over 60 days overdue. Absent payment, on December 16, 2002, the July 2002 bill will be 90 days overdue. Section 10(b) of the Block Power Sales Agreement 01PB-10769 (Block Contract) provides that BPA may terminate the Block Contract if Longview is more than three months delinquent in paying a power bill, and cannot demonstrate any ability to make the payment owed. In addition to the July 2002 power bill, Longview also has not paid past due power bills for August and September 2002. It is my understanding that Longview also has significant past due amounts owing to BPA for transmission services.

Longview apparently is unwilling or unable to pay its debts to BPA as they become due, and has demonstrated no ability to pay its July 2002 power bill, notwithstanding BPA's attempt to work with Longview with respect to that bill. Absent payment of the July power bill amount of \$261,978 on or before December 16, 2002, or an agreement by that date to pay the amount over time, the Block Contract will terminate at 12:01 a.m. PST, December 17, 2002. Any agreement relating to payment of the July bill should also address the August and September bills.

In any event, Longview's ongoing and persistent non-performance under the Block Contract by its failure to pay its power bills to BPA when due, including the August and September power bills, cannot continue. Under the circumstances BPA is entitled, at a minimum, to seek adequate assurance of performance from Longview before BPA will continue to perform its obligations under the Block Contract. BPA is willing to accept assurance of future performance by Longview in the form of either 1) prepayment of each month's estimated power bill, or 2) a letter of credit acceptable to BPA in the amount of \$225,000, assuming a 2 MW station service load.

Please contact me at your earliest convenience to discuss which arrangement you would prefer and the details of implementation. This arrangement must be in place no later than November 28, 2002, for power deliveries beginning December 1, 2002.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Miller", with a stylized, cursive script.

Mark E. Miller
Account Executive

cc:

Michael W. Lynch, Longview Aluminum, LLC
Randy Hardy, Hardy Energy Consulting

LONGVIEW ALUMINUM
P.O. BOX 2484 4029 INDUSTRIAL WAY
LONGVIEW, WASHINGTON 98632

Mark E. Miller
Account Executive
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97206-3621

November 22, 2002

*Rec'd
11/25/02
Reg. mail*

Dear Mr. Miller,

I am writing in response to your letter of October 25, 2002, regarding payment by Longview Aluminum, LLC ("Longview") of the Bonneville Power Administration's July 2002 power bill in the amount of \$261,978. Your letter noted that this amount represented: " 1) \$77,768 for 3 MW of station service power consumed by Longview during the month of July; and 2) \$184,210 in residual take-or-pay liability for the difference between the IP-02 rate and the market price realized by Bonneville for the remarketed power on July 1, 2002."

Enclosed is payment of \$77,761 for 3 MW of station service consumed by Longview during July. The 3 MW of station service was provided by Bonneville and used by Longview, and Longview agrees that payment is now due.

Longview does not believe that payment is due at this time for 280 MW during each hour on July 1, 2002, because Longview's payment obligation for July 1, 2002, should be determined pursuant to section 6 of Longview's Block Power Sales Agreement 01PB-10769 (Block Contract). Operations at the Longview's smelter had been curtailed before the effective date of the Block Contract, including during the entire month of June. The circumstances associated with the operation of Longview's smelter were well known to Bonneville staff and management, and Bonneville knew that Longview had no plan to resume production at the smelter on July 1, 2002.

On July 27, 2002, Longview and Bonneville executed a DSI Liquidation Damages Agreement providing for a curtailment commencing July 2, 2002. Execution of this agreement four days before July 1, 2002, provided actual notice to Bonneville that Longview would not operate for a single day on July 1, 2002, and provided sufficient notice to enable Bonneville to dispose of Longview's curtailed power, and to take Longview's July 1, 2002, curtailment into account in its planning, operations, and administration of the Block Contract. Longview did not consume the July 1, 2002, power that is the subject of the July bill. The power was neither scheduled, nor delivered, and payment is not due.



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

October 25, 2002

In reply refer to: PT-5

Mr. John Kolleng
Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294

Dear Mr. Kolleng:

The Bonneville Power Administration's (Bonneville) Accounting Operations has informed me that Longview Aluminum, LLC (Longview) is over 30 days late paying its July, 2002, power bill in the amount of \$283,893. This amount represents 1) \$77,768 for the 3 MW of station service power consumed by Longview during the month of July; and 2) \$206,125 for Longview's take-or-pay obligation for power service on Monday, July 1, 2002, under Block Power Sales Agreement 01PB-10769 (Block Contract) for 267 megawatt (MWs). Longview provided Bonneville with timely curtailment notices covering the balance of the month of July, and Longview will be receiving a separate bill associated with those curtailed amounts pursuant to section 6 of the Block Contract.

You have received one phone call on September 20, 2002, and two letters from Bonneville, dated September 24, 2002, and October 18, 2002, indicating the status of the July bill and requesting payment.

Despite attempts by Bonneville to secure a timely curtailment notice from Longview under section 6 of the Block Contract with respect to the July 1, 2002, power, Longview neither provided a timely curtailment notice, nor scheduled the power for use at its facility. The Block Contract is quite clear that, subject only to the curtailment provisions in sections 5 and 6, Longview is obligated to purchase 280 MW each hour during the term of the Block Contract. For its part, Bonneville is obligated to make available and deliver such power. Because BPA must stand ready to deliver large amounts of power to Longview, strict adherence to the curtailment notice provisions is critically important to Bonneville for purposes of system planning, operations, and contract administration.

Notwithstanding Longview's failure to provide Bonneville with the contractually required curtailment notice, which is expressly required to invoke the curtailment and take-or-pay mitigation provisions of the Block Contract, Longview representatives have indicated that Longview may not agree with the calculated amount for the take-or-pay portion of the July bill. On June 27, 2002, Bonneville and Longview executed a DSI Liquidated Damages Agreement as

notice that Longview would curtail power deliveries for the period July 2 through July 7, 2002, thereby invoking section 6 of the Block Contract for that period.

In the interest of avoiding a dispute regarding each party's rights and duties with respect to July 1, 2002, take-or-pay amount, BPA is willing to reduce the amount billed for the July 1, 2002, take-or-pay portion of the bill by the market value of that energy, which Bonneville was able to sell into a very low price market. With this adjustment made to the charges, Longview is now required to pay \$261,978. This amount represents 1) the \$77,768 for 3 MW of station service power consumed by Longview during the month of July; and 2) \$184,210 in residual take-or-pay liability for the difference between the IP-02 rate and the market price realized by Bonneville for the remarketed power on July 1, 2002.

Specifically, the market value (Dow Jones Mid-C Index) for energy on July 1, 2002, was \$6.40 MWh on heavy load hours (HLH) and \$2.56 MWh on light load hours (LLH). This leaves a total market value of \$21,915, adjusted for transmission (\$1.70 MWh), for the 267 MW not curtailed July 1, 2002. An amount of \$184,210 is left after subtracting the \$21,915 market value from the initial \$206,125 assessed. This would result in an adjusted charge in the July bill of \$77,768 + \$184,210 equaling an amount of \$261,978.

The same methodology was used for calculating the take-or-pay portion of this adjusted charge as would be used under a section 6 curtailment. However, because the July 1, 2002, deliveries were not curtailed by Longview, this amount is not subject to the section 6 take-or-pay mitigation billing procedures, and must be paid at this time. By immediately paying \$261,978, and any interest charges billed separately for this late payment, Longview's July 2002, bill will be considered paid in full. Consistent with section 16(g) of the Block Contract, Bonneville's action is not, and may not be construed as, a waiver or precedent with respect to any subsequent similar matter arising under the Block Agreement. Absent payment Bonneville will refer this bill to the United States Department of Treasury for collection.

Sincerely,



Mark E. Miller
Account Executive

cc:

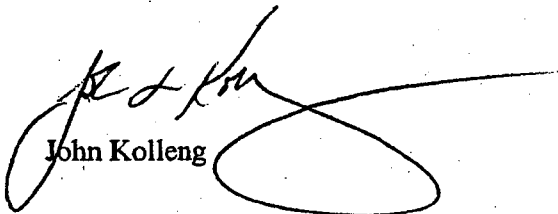
Mr. Michael W. Lynch, Longview Aluminum, LLC
Mr. Randy Hardy, Hardy Energy Consulting
Mr. Harvey Spigal, Preston Gates

LONGVIEW ALUMINUM
P.O. BOX 2484 4029 INDUSTRIAL WAY
LONGVIEW, WASHINGTON 98632

Given the specific and unusual circumstances surrounding July 1, 2002, it would be appropriate to treat July 1, 2002, service as having been curtailed pursuant to section 6 of the Block Contract, and for Bonneville to calculate and bill for damages in the manner specified in section 6 of the Block Contract. If Longview's smelter had a history of operating and then suspending operation during the period of the Block Contract, or had operated at any point during the term of the Block Contract, a power bill for July 1, 2002, might be less anomalous. But since the smelter had not operated, and Bonneville had no reason to believe that it would operate on July 1, 2002, service for that single day should be billed under the provisions of section 6 of the Block Contract.

Longview believes that its payment of \$77,761 for 3 MW of station service consumed by Longview during July resolves this matter, and that Longview's obligation with respect to July 1 service will be handled in the same manner as other curtailed power deliveries pursuant to section 6 of the Block Contract.

Sincerely,



John Kolleng

20 South Clark Street, Suite 850
Chicago, IL 60603
Tele: (312) 798-9205 Fax: (312) 795-9715



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

November 27, 2002

In reply refer to:PT-5

Mr. John Kolleng
Longview Aluminum, LLC
II First National Bank Plaza
20 South Clark Street, 850
Chicago, IL 60603

Dear Mr. Kolleng:

In a recent telephone conversation, Longview Aluminum, LLC (Longview) indicated its intention to offer to the Bonneville Power Administration (BPA) a proposal for paying its past due bills. If Longview is still considering making such a proposal, BPA will need to evaluate Longview's financial status. Such an evaluation will allow BPA to determine the feasibility of any alternative payment arrangements.

It is necessary for Longview to provide BPA with up to date and audited copies of Longview's annual and quarterly balance sheets and income statements, as well as details on the company's sources of capital (including current debt service and liabilities), operating cash flows, and credit facilities. BPA will also need a list of all outstanding liens and other encumbrances (i.e. associated liabilities) on the Longview facility. Upon review of the above information, BPA may request additional or supplemental information. Without such information, it will not be possible for BPA to evaluate any Longview alternative payment proposal.

Any of this information you can provide prior to our December 5, 2002, meeting will be very helpful. Please call me at (503) 230-4003 for further details of my request.

Sincerely,

A handwritten signature in cursive script, reading "Mark E. Miller", is positioned above the typed name.

Mark E. Miller
Account Executive

cc:

Randy Hardy, Hardy Energy Consulting
Harvey Spigal, Attorney, Preston Gates



Department of Energy

Bonneville Power Administration
P.O. Box 491
Vancouver, Washington 98666-0491

TRANSMISSION BUSINESS LINE

November 27, 2002

In reply refer to: TM-Ditt2

Mr. John Kolleng
Longview Aluminum, LLC
II First National Bank Plaza
20 South Clark Street, 850
Chicago, IL 60603

NOTICE OF PLAN TO TERMINATE SERVICE

Dear Mr. Kolleng:

Section 7.3 of the Bonneville Power Administration Transmission Business Line's (BPA-TBL) Open Access Transmission Tariff, which is included as part of Service Agreement No. 01TX-10681 (Agreement), states that if failure to pay for transmission services "is not corrected within thirty (30) calendar days after the Transmission Provider notifies the Transmission Customer to cure such failure, a default by the Transmission Customer shall be deemed to exist. Upon the occurrence of a default, the Transmission Provider may notify the Transmission Customer that it plans to terminate services in sixty (60) days."

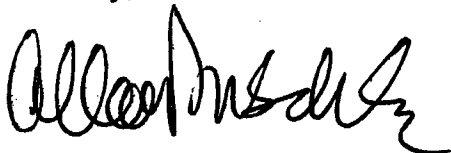
BPA-TBL has issued multiple letters, starting with a letter dated July 5, 2002, notifying Longview Aluminum, L.L.C. (Longview Aluminum) that payment for bills sent by BPA-TBL dated June 7, 2002, July 2, 2002, August 6, 2002, and September 10, 2002, has not been received, and requesting payment. Since Longview Aluminum has failed to make payment for the transmission services reflected in those notices within thirty days of such notice, a default exists.

This letter serves as notification that BPA-TBL plans to terminate transmission service under the Agreement on January 26, 2003. In addition, pursuant to Revision No. 1 of Exhibit A of the Agreement, upon termination of the Agreement, Longview Aluminum will be obligated to pay BPA-TBL approximately \$9.3 million, which is the unamortized investment in facilities located at the Longview Substation and Longview Annex No. 2 Substation. A bill in the appropriate amount will be sent to Longview Aluminum upon termination of service.

Longview Aluminum's past due amount for transmission service now exceeds \$700,000. A meeting has been scheduled for December 5, 2002, between BPA and representatives of Longview Aluminum to discuss your company's payment situation. BPA looks forward to a productive meeting.

If you have any questions, please call me at (360) 418-8283.

Sincerely,

A handwritten signature in black ink, appearing to read "Allan Paschke", with a stylized flourish at the end.

Allan F. Paschke
Transmission Account Executive
Transmission Marketing and Sales

cc:

Randy Hardy, Hardy Energy Consulting



Longview Aluminum, LLC

Via Facsimile (503)230-3681 and UPS Overnight Mail

March 6th, 2003

Mr. Steve Wright
Executive Director
U.S. Department of Energy
The Bonneville Power Administration
P.O.Box 3621
Portland, Oregon 97208-3621

Re: BPA Public Statements in American Metal Market.

Dear Mr. Wright:

I am writing to you to demand that the Bonneville Power Administration immediately issue a press release retracting the statement it has made to American Metal Market in today's edition.

The quote from the BPA saying "He got \$226 million of rate-payers money (from the BPA), used \$155 million of it to buy the Longview plant and put \$75 million in his own pocket and never produced an ounce of aluminum," is defamatory and libelous.

Your defamatory statements are seriously impacting our discussions with the PBGC as we attempt to successfully reorganize Longview Aluminum LLC.

As you're well aware the Bonneville Power Administration conducted a full audit that was completed in the fall of 2002 in which the BPA was satisfied that Longview Aluminum complied fully with the Curtailment Agreement.

Sincerely,

Michael Lynch

Cc: Michael Driver/Patton & Boggs.
Gene Murphy/Horwood Marcus & Berk.

CORPORATE HEADQUARTERS

20 South Clark Street Suite 850 Chicago, Illinois 60603
P 312.795.9705 F 312.795.9715



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THURSDAY, MARCH 6, 2003

VOLUME 111, NUMBER 9-4

ESTABLISHED 1882 / PUBLISHED DAILY

INSIDE TODAY

It's alive

WASHINGTON —

President Bush's goal to achieve widespread restructuring in the steel industry is on track as a result of steel import tariffs, according to a study by the industry.

Page 2

State aid x 2

PITTSBURGH — West

Virginia and Ohio are coming together to try to rescue Wheeling-Pittsburgh Steel Corp. even as the embattled steel company looks into the possibility of merging with another financially troubled steelmaker.

Page 5

Let's twist again

NEW YORK — In an ironic twist for embattled Highlanders Alloys LLC, the president of a company that had been outbid by Highlanders chief Boris Bannai for the former American Alloys Inc. assets has stepped in to help out his former rival.

Page 6

Fire and Ice

NEW YORK — Alcoa Inc., Pittsburgh, has won approval from Iceland's Parliament to construct a 322,000-tonne-per-year primary aluminum smelter in eastern Iceland.

Page 7

A nickel short

PHILADELPHIA — The steady escalation of nickel scrap exports from the United States finally came to an end in 2002 as export tonnages failed to top the previous year's results.

Page 10

PRICING AT A GLANCE

NYMEX		LME	
Aluminum	68.20¢	Aluminum	1,419.00
per	76.05¢	Copper	\$1,685.00
	\$353.20	Lead	\$458.50
Aluminum	\$681.00	Nickel	\$6,650.00
Silver	461.00¢	Zinc	\$797.00

Click through for details.

US steel sees no burst in Chinese bubble

Production guideline unlikely to be heeded

SINGAPORE — In an effort to rein in China's rock-eting steel capacity, the country's State Economic and Trade Commission (SETC) has set an annual crude steel output "guideline" for 2003 of 190 million tonnes.

The production ceiling allows for a nationwide increase of about 10 million tonnes this year. But traders and producers said such a policy would be almost impossible to implement.

Previous efforts by Beijing to curb production met with little success. Last year, the SETC set a figure of around 170 million tonnes but total raw steel output reached 181.55 million tonnes, up almost 20 percent from 2001.

An SETC official said the agency was mindful of the many expansion programs taking place across the country, so its move was more a yardstick for the domestic industry to follow (See CHINESE, page 2)



BEIJING BOUND: Despite a reported sag in Chinese demand for HR coil, Nucor, SDI and ISG see few signs of an across-the-board slowdown.

Demand slip not reflected in order books

LOS ANGELES — Despite recent signs that China's appetite for some steel products might be waning, U.S. mills have yet to see any decline in interest.

Global steel traders this week reported that Chinese demand for hot-rolled coil in particular had declined (AMM, March 4), but domestic producers said their overall prospects for second-quarter exports continued strong.

"We thought that, after the Chinese New Year, there might be a fall-off in demand, but we have not seen that," said Daniel R. DiMicco, vice chairman, president and chief executive officer of Nucor Corp., Charlotte, N.C. "Inquiries (See US STEEL, page 2)

House bill introduced to kill WTO-rejected 1916 trade act

WASHINGTON — A bill to abolish the controversial Anti-Dumping Act of 1916, a law resurrected by steel companies in the past few years to punish importers, was introduced in the House Tuesday.

The European Union challenged the law shortly after Geneva Steel Co., Vineyard, Utah, used it to file a trade case against two plate importers in 1996. Dissatisfied with the U.S. response to repeal the law, the EU filed a complaint with the World Trade Organization in 1998, which found the law violated global trade rules.

Rep. James Sensenbrenner (R., Wis.), chairman of the House Judiciary Committee, introduced legislation to repeal the law.

"The United States has the responsibility to come into compliance with its trade obligations if we expect our trading partners to do the same," said Rep. Bill Thomas (R., Calif.), House Ways and Means Committee chairman. "The WTO has ruled that the 1916 act violates the WTO, and I commend Sensenbrenner for introducing legislation to repeal this archaic law. I look forward to working with him to enact it into law."

Thomas met Tuesday with Pascal Lamy, European (See HOUSE, page 2)

Ford postpones aluminum-heavy engine program

DETROIT — Economic uncertainties, engineering concerns and applications issues have prompted Ford Motor Co. to delay the production launch for its next-generation "Cyclone" V-6 engines until 2005 or 2006.

Ford sources at the SAE 2003 World Congress here this week cited those factors for holding up the aluminum-intensive Cyclone engine program, which was supposed to get under way next year. The V-6 engine program, which was put off once before, is considered to be one of the most important new products involving aluminum casting alloys at (See ALUMINUM, page 3)

Longview files Ch. 11 to parry threat by BPA

NEW YORK — Longview Aluminum LLC, the aluminum smelter based in Washington state, has filed for Chapter 11 bankruptcy protection in federal court in Delaware.

A spokesman for Longview, Wash.-based Longview told AMM that the Chapter 11 filing was a tactical move aimed at protecting its power-transmission contract, which the Bonneville Power Administration (BPA) is attempting to terminate (AMM, March 4). The company said it believed the contract was a company asset and therefore would fall under Chapter 11 protection.

In announcing the decision, Michael Lynch, who controls Longview as chairman of Chicago-based investment group Michigan Avenue Partners, attacked the BPA for what he called its "misguided energy policy."

Longview Aluminum (See LONGVIEW, page 3)

Alcoa inks deal with Quebec to expand smelter

NEW YORK — Alcoa Inc. has signed an agreement with Quebec's provincial government to more than double the size of the company's aluminum plant in Deschambault, Quebec.

The 320,000-tonne-per-year expansion is expected to cost Canadian \$1 billion (\$680 million). Construction would begin in 2006, with production starting two years later. Full production levels would not be reached until 2013.

As part of the agreement, Alcoa said it would create a minimum of 1,250 jobs in the Quebec (See ALCOA, page 3)

News

Longview files Ch. 11 to counter BPA

(Continued from page 1)

said that the Chapter 11 filing followed successful efforts last week to temporarily restrain the BPA from terminating the smelter's power supply and transmission contracts pending further court hearings, now slated for March 6. The hearing had been scheduled for March 5, but was postponed when the judge—learning about the Chapter 11 filing—said he wasn't sure whether he retained jurisdiction over the case.

"We believe that if he doesn't have jurisdiction, the case (for an injunction) should be dismissed," a BPA spokesman said.

Longview Aluminum said that ensuring access to a long-term supply of affordable power and transmission was "key to our ability to profitably operate the smelter."

"Since receiving the injunction last week, we've been meeting with our team of advisors to investigate every remedy and alternative available to us," Lynch said in a statement. "Finally, we determined that the Chapter 11 filing and reorganization would be our best path to restarting this smelter, protecting this asset, preserving these jobs and contributing to the economic welfare of the region."

Longview Aluminum also slammed what it called a "lack of consistency" in the power buyback agreements BPA negotiated with other aluminum companies in the region. Lynch said that, unlike other producers' agreements, Longview's contract with the BPA did not include "an easy-out clause."

He said that such an arrangement allowed companies "unencumbered exemption" from their contractual "take-or-

pay" obligation should they be able, or chose, to secure alternate power sources. "Such options were never presented to Longview Aluminum," the company said in a statement.

"BPA's inconsistent and uneven enforcement of its power buyback agreements was a major factor in our decision," Lynch said. He added that the "misguided energy policy" had resulted in a delindustrialization of the Pacific Northwest region.

The BPA dismissed Lynch's actions and statements as political maneuvering. A spokesman for the BPA said each contract was negotiated separately with each aluminum smelter in the region. "Lynch negotiated and signed that contract, so I don't know what he's complaining about," the spokesman said.

The BPA also dismissed the notion that Lynch and his company had been treated unfairly. "He got \$226 million of rate-payers money (from the BPA), used \$155 million of it to buy the Longview plant and put \$75 million in his own pocket and never produced an ounce of aluminum," the BPA spokesman said. "That's not such a bad deal."

Longview's spokeswoman dismissed the idea that Lynch "had pocketed" money from the BPA. "We've spent around \$30 million on paying the work force. It costs about \$1 million a month to keep up the plant, and the rest has been kept in reserve ready for when we restart the plant," the spokeswoman said.

The spokeswoman said that Lynch still wanted to restart the plant once he resolved the power problems and the dispute with Pittsburgh-based Alcoa Inc. about the ground lease (AMM, Feb. 18).

She added that progress had been made with the unions toward agreeing on an employee stock ownership plan, under which majority ownership of Longview might eventually shift to the work force. That progress had been slowed, however, while Lynch attempted to deal with the BPA and Alcoa, the spokeswoman said.

David Brooks

dbrooks@amm.com

Alcoa signs accord with Quebec to expand Deschambault facility

(Continued from page 1)

aluminum processing industry and another 250 jobs for the expansion of the plant. The company will be assessed heavy penalties if it fails to meet this commitment.

"Since the start-up of the Deschambault plant in 1991, its employees have all worked hard to make it a top performer," said Alain Belda, Alcoa chairman and chief executive officer. "The investment being announced will allow the plant to continue beating its production records and remain one of most highly performing aluminum plants."

The project is eligible for tax exemptions and for support under the provincial FAIRE (Fonds pour l'Accroissement de l'Investissement Privé et la Relance de l'Emploi) program, which will provide financial support by offering an interest-free loan as high as \$280 million.

Hydro-Québec, the state-run electricity company, will provide the 500 megawatts necessary to support the plant's expansion.

Alcoa plans to invest more than \$2 billion in Quebec over the next 10 years with the Deschambault expansion plus its upgrading and expansion at the Baleine aluminum smelter announced last year (AMM, 17).

Aislin Gueniere

agueniere@amm.com

www.amm.com

Aluminum-intensive engine postponed again by Ford

(Continued from page 1)

Ford this decade.

Ford has asked numerous suppliers of components for the new V-6s to make engineering changes or to get ready to make changes to help wring costs out of the program and make the engines more suitable from a quality and performance standpoint for a variety of vehicle applications.

However, it's "difficult to figure out exactly what Ford wants to do with the design," said a vice president of one parts-manufacturing company attending the SAE meeting. "A lot of things seem to be up in the air, and the amount of indecision is surprising. We don't know what to make of it, and it's messing up our schedules."

Suppliers of aluminum casting alloys, steel bar, iron foundry materials and powder metals—all of which are expected to play significant roles in the Cyclone engine program—said Ford's actions had left holes in their plans as well.

"If you've got something else to turn to—something to put into those holes to help keep business going at meaningful levels—that's one thing," an executive of an aluminum smelting company said. "But in relatively tough times, you don't like to see postponements from an important end-user like Ford."

Before the latest postponement, Ford planned to begin Cyclone engine production in Lima, Ohio, in 2004 in annual volumes of 325,000 units, and to gradually boost production there and at one more North American plant to 1 million or more per year by the end of this decade.

Now, no one is sure when, or even if, the automaker will be producing 1 million of the V-6s annually. The previous delay in the Cyclone engine production program pushed the start-up date out to 2004 from 2003.

The cylinder blocks, heads, oil pans, front covers and pistons are among the components of the Cyclone engines slated to be made of aluminum. Nemak SA, Monterrey, Mexico, and Teksid Aluminum, Southfield, Mich., have been picked to supply the heads and blocks, respectively. The piston systems, or power cylinder modules, are expected to come from Dana Corp., Toledo, Ohio, while the suppliers of the powder metal connecting rods and main bearing caps are Metaldyne Corp., Plymouth, Mich., and GKN Sinter Metals Inc., Auburn Hills, Mich., respectively.

Numerous other parts-makers also are involved in the Cyclone program, which at production rates of 1 million engines annually would probably consume more than 130 million pounds of aluminum per year.

Al Wrigley

ammnet@aol.com

CHANGING PRICES

PST boosting bar products \$20/T

PITTSBURGH — Pennsylvania Steel Technologies Inc. (PST), Steelton, Pa., a division of Bethlehem, Pa.-based Bethlehem Steel Corp., said it will attempt to increase prices on bar products from its 20-inch mill by \$20 per ton, effective with new orders scheduled for shipment April 1 and later.

The increase, which is being made in response to higher scrap and energy costs, follows similar moves announced recently by a number of other North American bar producers.

Bethlehem Steel sets \$20/T plate hike

PITTSBURGH — Cost increases for energy and raw materials have prompted Bethlehem Steel Corp., Bethlehem, Pa., to announce a \$20-per-ton hike on plate products, including alloy plate and all carbon and high-strength, low-alloy heat-treated plate, effective with new orders scheduled for shipment March 29 and later.

The move follows similar increases announced recently by a number of other North American steel plate producers.

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Longview Aluminum, L.L.C.

FACSIMILE TRANSMITTAL SHEET

TO: MR. STEVE WRIGHT	FROM: MICHAEL W. LYNN
COMPANY: BPA	DATE: 2/6/03
FAX NUMBER: (503) 230-3681	TOTAL NO. OF PAGES INCLUDING COVER: 4
PHONE NUMBER: (503) 230-3000	SENDER'S REFERENCE NUMBER: 312-795-9705
RE:	YOUR REFERENCE NUMBER: 312-795-9715

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

CORPORATE HEADQUARTERS

20 South Clark Street Suite 850 Chicago, Illinois 60603
P 312.795.9705 F 312.795.9715





Department of Energy

Bonneville Power Administration
P.O. Box 61409
Vancouver, WA 98666-1409

TRANSMISSION BUSINESS LINE

February 10, 2003

In reply refer to: TM-OPP-2

Mr. John Kolleng
Longview Aluminum, LLC
20 South Clark Street, Suite 850
Chicago, IL 60602

NOTICE OF TERMINATION OF SERVICE

Dear Mr. Kolleng:

In a letter dated November 27, 2002, you were notified that, on January 26, 2003, the Bonneville Power Administration's Transmission Business Line (BPA-TBL) planned to terminate transmission service to the Longview, Washington smelter under Service Agreement No. 01TX-10681 (Agreement) with Longview Aluminum, LLC (Longview). The basis for such termination is a default associated with Longview's failure to pay transmission charges under the Agreement.

In a letter from BPA-TBL dated January 23, 2003, you were advised that BPA-TBL had received a facsimile of your proposal, dated January 17, 2003, for resolving certain outstanding issues and that BPA-TBL's consideration of the proposal would likely not be completed prior to January 26, 2003. Accordingly, BPA-TBL would not terminate service on such date. However, the letter provided continuing notice of BPA-TBL's intent to terminate service under the Agreement after January 26, 2003, unless otherwise notified, and stated that BPA-TBL would provide you with at least one week's notice prior to terminating service.

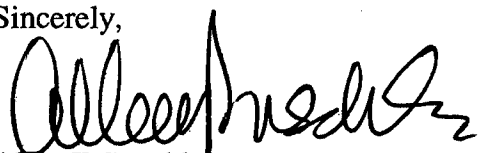
BPA-TBL has considered your January 17, 2003, proposal and finds it to be insufficient for resolving the default. In particular, the proposal fails to provide BPA-TBL with certainty that BPA-TBL will be paid for all past due bills, currently due bills, and for future services. Overdue charges are now approximately \$1 million, exclusive of interest and United States Treasury debt collection fees. In letters dated January 30, 2003, and February 3, 2003, Longview representatives asserted for the first time that the failure to pay bills commencing with the bill associated with the May 2002 billing period is a result of a labor dispute, constituting a force majeure event, and a billing dispute. BPA-TBL rejects the force majeure claim for the same reasons explained in a July 11, 2002, letter from Mark Miller. In addition, Longview has improperly characterized the issue as a billing dispute. Longview has failed to meet the requirements in section 7.3 of BPA-TBL's Open Access Transmission Tariff in order to properly invoke the billing dispute argument. For the foregoing reasons, BPA-TBL hereby advises you

that the Agreement, and service under the Agreement, will be terminated effective at 2400 hours on February 28, 2003.

BPA-TBL remains open to satisfactory resolution prior to such date. However, such resolution must include payment of the total overdue amount, including interest and United States Treasury debt collection fees, and an acceptable pre-payment plan for any services that might be provided in the future.

If you have any questions, please call me at (360) 619-6011.

Sincerely,



Allan F. Paschke

Transmission Account Executive
Transmission Marketing & Sales

cc:

The Honorable Gary Locke, Governor, State of Washington
The Honorable Mark McCrady, Mayor, City of Longview
Mr. Bob Burgreen, City of Longview
Mr. Lane Wintermute, City of Longview
Mr. Randy Hardy, Hardy Energy Consulting
Ms. Marci Hollingsworth, Federal Aviation Administration
Mr. Tim Westcott, Coast Guard
Mr. Merritt Ketcham, Cowlitz County PUD
Mr. Edward Piper, Cowlitz County PUD
Mr. Dennis Robinson, Cowlitz County PUD
Mr. John Searing, Cowlitz County PUD
Mr. Michael Tanchuck, ALCOA
Mr. Tom Fitzsimmons, Washington State Dept. of Ecology
Mr. Eric Oie, Washington State Dept. of Ecology
Mr. Pat Forgey, Longview Daily News

03 FEB 11 PM 1:56

bcc:

S. Wright - A-7

C. Ball - DC/WASH

J. Stier - DC/WASH

C. Custer - DR/WSGL

R. Bennett - K-7

L. Davidson - KFR-2

~~S. Millar - LT-7~~

✓ K. Runzler - LP-7

J. Lebens - PSW-6

M. Miller - PT-5

M. Maher - T-DITT2

F. Johnson - TF-DOB-1

O. Albro - TFO-Olympia

C. Meyer - TM-DITT2

B. Lahmann - TM-OPP-2

M. Raschio - TM-OPP-2

B. Leonard - TMB-MODD

R. King - TMC-DITT2

M. McDaniel - TMC-OPP-2

V. VanZandt - TO-DITT2

G. Markley - TOC-PPO2-1

E. Peterson - TOC- PPO2-1

Official File - TM-OPP-2 (TM-11)

APaschke:ap:sle:6011:2/7/03 (w:\tm_wg\acctexec\paschke\customer\longview\termnltr.doc)

STEVEN J. THOMPSON, P.C.

STEVEN J. THOMPSON
SJT LAW@MSN.COM

ATTORNEY AT LAW
77 WEST WACKER DRIVE
SUITE 4800
CHICAGO, ILLINOIS 60601

TELEPHONE: 312-606-8750
FACSIMILE: 312-214-4141

February 3, 2003

VIA FACSIMILE AND FIRST CLASS MAIL

Allan F. Paschke
Transmission Account Executive
Department of Energy
Bonneville Power Administration
P.O. Box 491
Vancouver, Washington 98666

Re: Longview Aluminum LLC/Service Agreement No. 01TX-10681

Dear Mr. Paschke:

I write on behalf of Longview Aluminum, LLC, in reference to your "Continuing Notice of Intent to Terminate Service" dated January 23, 2003. Longview received this notice for the first time today, which is not responsive to either Longview's previous proposal for resolution of outstanding transmission bills, or Longview's notice of January 30, 2003, invoking the force majeure provisions of the Tariff and notifying BPA of Longview's right to continued service under the Section 7.3 of the Tariff while its dispute over transmission bills is resolved (see attached). Please respond to those notices.

We also understand from your January 23, 2003 notice that BPA is considering the proposal previously outlined by Longview for resolution of the issues relating to transmission. The principals of Longview would appreciate the opportunity to again discuss this proposal with you in person this week. Please advise at once of your availability. Obviously, given the tenor of your January 23, 2003 letter, time is of the essence.

Very truly yours,


Steven J. Thompson

cc: Michael W. Lynch/Longview Aluminum
Michael Driver/Patton Boggs LLP

01/30/03 17:54

Jan 30 03 07:51p

p. 2

LONGVIEW ALUMINUM, LLC

20 South Clark Street, Suite 850

Chicago, Illinois 60603

(312) 795-9705

Facsimile: (312) 795-9715

January 30, 2003

VIA FACSIMILE AND REGULAR MAIL

Allan F. Paschke

Transmission Account Executive

Department of Energy

Bonneville Power Administration

P.O. Box 491

Vancouver, Washington 98666

Re: Longview Aluminum LLC/Service Agreement No. 01TX-10681

Dear Mr. Paschke:

Reference is made to the Service Agreement No. 01TX-10681 between the Bonneville Power Administration and Longview Aluminum, LLC, and the Open Access Transmission Tariff incorporated therein. Longview is outraged to learn that BPA now intends to terminate transmission service, after BPA's representations to me last week that it intended to forebear. As you are aware, Longview is in the midst of a labor disturbance with the USWA, which constitutes a force majeure event under Section 10.1 of the Tariff, thereby excusing the default of any obligation under the Tariff, including the obligation to make payments. Longview has also made all reasonable efforts to perform its obligations under the Tariff as required by Section 10.1, and intends to continue to do so. As such, no default currently exists and BPA has no right to terminate or suspend the Service Agreement or transmission service.

We note also that the on-going billing dispute related to transmission charges entitles Longview to continued service under Section 7.3 of the Tariff. As John Kolleng advised BPA at the December 5, 2003 meeting, the UFT charges are in dispute, and Longview also questions whether BPA has correctly determined which facilities should be used to determine the UFT charges. Longview is holding the disputed transmission amounts aside pending resolution of this dispute, and we expect BPA to continue to honor the Service Agreement.

Please confirm that BPA agrees that as a result of the labor disturbance, a force majeure event has occurred and continues to exist, and therefore no default exists. At a minimum, please confirm that BPA will honor its obligations under the Service Agreement while the billing disputes are resolved. If you do not confirm same, Longview intends to invoke the dispute

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Jan 30 03 07:52p

P.3

● Page 2

January 30, 2003

resolution mechanisms set forth in the Tariff, and seek appropriate relief to prevent any termination or suspension of the Service Agreement or transmission service.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael W. Lynch", with a long horizontal flourish extending to the right.

Michael W. Lynch
Chairman
Longview Aluminum, LLC

Rumzler
Miller

LONGVIEW ALUMINUM, L.L.C.

20 South Clark Street, Suite 850

Chicago, Illinois 60603

(312) 795-9705

Facsimile: (312) 795-9715

January 29, 2003

Via Facsimile and Federal Express


Steven Wright
Bonneville Power Administration
P.O. Box 3621
905 NE 11th Avenue
Portland, OR 97208-3621

Re: Forbearance Agreement on BPA/Longview Aluminum, LLC. Transmission Agreement

Dear Steve:

It was a pleasure talking with you on Friday, January 23, 2003. Pursuant to our discussions, and on behalf of Longview Aluminum, LLC. I want to thank you for your cooperation regarding the Bonneville Power Administration's decision to forbear from taking further action with respect to the Service Agreement for Network Integration Transmission Service, Number 01 TX-10681, pending resolution of the various issues relative to the service agreement. I look forward to working with you on this matter.

Sincerely,



Michael W. Lynch



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

January 28, 2003

In reply refer to: PT-5

Mr. John Kolleng
Longview Aluminum, LLC
II First National Bank Plaza
20 South Clark Street, 850
Chicago, IL 60603

Dear Mr. Kolleng:

Section 10(b) of the Block Power Sales Agreement, Contract No. 01PB-10769 (Block Contract) with Longview provides that the Bonneville Power Administration (BPA) may terminate the contract if Longview is more than 90 days delinquent in paying its power bills, and cannot demonstrate an ability to make the payments owed.

On September 20, 2002, BPA issued Longview a power bill in the amount of \$101,224.00. The bill was due October 10, 2002. BPA sent late payment letters to Longview on October 29, November 7, and December 10, 2002. The bill is now 110 days overdue.

On December 5, 2002, BPA and Longview met to discuss, among other things, Longview's past due power bills. BPA stated reasonable assurance was required that Longview would be able to pay BPA for all such past due bills in a timely manner. Longview indicated there was some chance it would find a source of funds to pay BPA for all past due power bills for power actually consumed by no later than January 20, 2003.

On January 17, 2003, Longview sent BPA a letter containing Longview's proposal for, among other things, the past due power bills. Longview's letter states a limited source of funds may be available to Longview later in January to pay past due transmission bills, and that some portion of such funds, if they materialize, may be used to pay a portion of the outstanding power bills. Longview's specific proposal for paying past due power bills, including the August bill, is to pay them when the plant resumes operations at some unspecified time in the future, or when Longview has completed an employee stock ownership plan with the steelworkers union, which may or may not happen, according to Longview's letter.

Longview has failed to demonstrate it will pay its August power bill in full at this time, or that it will have the ability to pay the bill at any specific time. As a consequence, BPA is hereby electing to exercise its right under section 10(b) to terminate Longview's Block Contract, effective immediately. Longview's failure to pay past due power bills, including the August bill, or to provide BPA with reasonably adequate assurances it has or will have the ability to do so,

has placed Longview in total breach of its obligations to BPA under the Block Contract. All unpaid power bills will survive this termination, and BPA will send Longview a separate letter specifying contract damages.

Because Longview has prepaid BPA for delivery of two (2) megawatts of power on every hour through January 31, 2003, BPA will continue to deliver such power. In addition, BPA received a check from Longview today in the amount of \$44,205.00 as prepayment for power deliveries through February 2003. BPA will provide the February prepaid power to Longview, or return your check. Please advise me which option you choose. Absent your request to return the prepayment, BPA will deliver February power. If Longview would like BPA to return the February prepayment amount, please be advised that all scheduled power deliveries from BPA to Longview will cease at 2400 hours on January 31, 2003; otherwise all scheduled power deliveries from BPA to Longview will cease at 2400 hours on February 28, 2003. If Longview is in need of a power supply beyond January 31st (or February 28th) to meet its minimal electric needs at the plant, I would suggest any one of several power marketers currently active in the market would be willing to provide such service on a prepay basis. Depending on the application of state and federal regulations concerning service by wholesale marketers to retail loads, Longview may need to work with/through Cowlitz County Public Utility District to secure power.

This termination letter constitutes a contracting officer's final decision pursuant to section 605 of the Contract Disputes Act of 1978, 41 U.S.C. §§ 601 *et seq.* The Contract Disputes Act specifies you may appeal this decision within ninety days from date of receipt of this letter at the Department of Energy Contract Board of Appeals, pursuant to 41 U.S.C. § 607, or within twelve months from date of receipt of this letter at the United States Court of Federal Claims, pursuant to 41 U.S.C. § 609.

Sincerely,



Mark E. Miller
Account Executive/Contracting Officer

cc:

Mr. Michael W. Lynch, Longview Aluminum, LLC
Mr. Randy Hardy, Hardy Energy Consulting, Seattle, WA
Mr. Harvey Spigal, Attorney, Preston Gates, Portland, OR



Department of Energy

Bonneville Power Administration
P.O. Box 61409
Vancouver, WA 98666-1409

TRANSMISSION BUSINESS LINE

January 23, 2003

In reply refer to: TM-OPP-2

Mr. John Kolleng
Longview Aluminum LLC
First National Bank Plaza
20 South Clark Street
Chicago, IL 60603

CONTINUING NOTICE OF INTENT TO TERMINATE SERVICE

Dear Mr. Kolleng:

On January 17, 2003, Bonneville Power Administration (BPA) received a facsimile letter of your proposal for resolving, among other things, outstanding transmission bills under Service Agreement No. 01TX-10681 (Agreement). The Agreement provides for transmission service to your company's aluminum smelter located in Longview, Washington.

In a letter dated November 27, 2002, I informed you that BPA planned to terminate transmission service to the Longview smelter under the Agreement on January 26, 2003. Given that BPA will likely not have completed its consideration of your proposal prior to January 26, 2003, BPA will not terminate service on such date. Please consider this letter a continuing notice of BPA's intent to terminate service under the Agreement after January 26, 2003, unless otherwise notified. BPA will provide you with at least one week's notice prior to terminating service. If you have any questions, please call me at (360) 619-6011.

Sincerely,

A handwritten signature in black ink, appearing to read "Allan F. Paschke", is written over the word "Sincerely,".

Allan F. Paschke
Account Executive
Transmission Marketing & Sales

cc:

Randy Hardy, Hardy Energy Consulting

03 JAN 27 PM 1:56

bcc:

S. Wright - A-7

C. Custer - DR/WSGL

R. Bennett - K-7

L. Davidson - KFR-2

S. Millar - LT-7

✓ K. Runzler - LP-7

M. Miller - PT-5

M. Maher - T-DITT2

F. Johnson - TF-DOB-1

O. Albro - TFO-Olympia

C. Meyer - TM-DITT2

B. Lahmann - TM-OPP-2

B. Leonard - TMB-MODD

R. King - TMC-DITT2

M. McDaniel - TMC-OPP-2

V. VanZandt - TO-DITT2

G. Markley - TOC-PPO2-1

E. Peterson - TOC- PPO2-1

Official File - TM (TM-11)

APaschke:ap:6011:1/23/03 (w:\tm_wg\acctexec\paschke\customer\longview\conttermsvc.doc)



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

P.O. Box 47600 • Olympia, Washington 98504-7600
(360) 407-6000 • TDD Only (Hearing Impaired) (360) 407-6006

01-29-03
03 JAN 30 9:42 AM
RCVD

January 23, 2003

Al Paschke
Account Executive
Transmission Marketing & Sales
Bonneville Power Administration
P.O. Box 491
Vancouver, Washington, 98666-0491

Dear Mr. Paschke:

I have received your letter of January 17, 2003. In this letter you desire an assessment of environmental effects from the Longview Aluminum plant (LVA) if their power is terminated. You specifically asked: (1) the nature of any impacts that could reasonably be expected to occur immediately if a power source was not available; and (2) the nature of any cumulative impacts that could reasonably be expected to occur over days, weeks and months if a power source was not available.

First, I'll provide an explanation of the current wastewater situation at LVA. LVA has two discharges into the Columbia River, a sanitary discharge (001S) and a combination industrial wastewater/storm water discharge (002A). The sanitary treatment plant is currently treating the wastewater from approximately 24 people. After the sanitary wastewater is treated it is pumped to the river for discharge from Outfall 001S.

The industrial wastewater/storm water outfall currently discharges treated storm water and treated landfill leachate. All storm water on site drains to a sump (facility 77) and is pumped to the head of a settling basin. The settling basin gravity settles suspended solids in the storm water. If, after discharge from the basin, the storm water has a turbidity of greater than 15 NTU the settling basin discharge is pumped to one to four media filters for further treatment and removal of suspended solids. Treated storm water leaving the media filters is also pumped to the river for discharge.

Over the past three months, pollutant concentrations and flows at the sanitary treatment plant before and after treatment are:

<u>Month</u>	<u>BOD Inlet</u> <u>(mg/l)</u>	<u>BOD Outlet</u> <u>(mg/l)</u>	<u>TSS Inlet</u> <u>(mg/l)</u>	<u>TSS Outlet</u> <u>(mg/l)</u>	<u>Flow</u> <u>mgd</u>
October 2002	14	<0.8	29.6	7.8	0.0397
November 2002	11.3	3.8	25.5	6.8	0.0406
December 2002	7.5	3.4	21.5	9.0	0.0472

Landfill leachate from the black mud pond contains treatable amounts of fluoride and measurable but reportedly untreatable levels of cyanide. LVA has accumulated the leachate over the past several months in three 670,000 gallon thickner tanks. All three tanks are practically full. Within the past few days, LVA has restarted their industrial wastewater treatment plant to treat this leachate. LVA operates this treatment facility to remove fluorides. This treatment plant is capable of treating approximately 50 gallons per minute. At that rate it would take nine to ten days to treat all the leachate accumulated in one tank. Treated leachate is pumped to the river for discharge.

Flows and pollutant concentrations for the past three months were:

<u>Month</u>	<u>TSS</u> <u>(lbs/day)</u>	<u>Fluoride</u> <u>(lbs/day)</u>	<u>Flow</u> <u>mgd</u>
October 2002	94.3	12.5	2.12
November 2002	96.5	26.9	2.34
December 2002	144.6	85	3.23

In regards to your question of the nature of any impacts that could reasonably be expected to occur immediately if a power source was not available:

If LVA lost electrical power they would not be able to:

- sample their wastewater by way of their automated composite samplers;
- measure flow from their continuous flow measuring meters;
- treat any leachate from their black mud pond landfill;
- treat stormwater in their media filters if the turbidity reaches a certain level;
- treat their sanitary wastewater;
- pump their storm water to the settling basin for treatment;
- pump any of their wastewater to their discharge in the Columbia River.

In regards to your question of the nature of any cumulative impacts that could reasonably be expected to occur over days, weeks and months if a power source was not available:

If LVA lost electrical power their stormwater and leachate would start backing up from their pump sump, fill in an open ditch and start filling in low-lying areas of the plant and eventually enter a local diking district ditch where the diking district would then pump the combined ditch water and LVA wastewater to the Columbia River via the diking district's pumps and electrical power.

During my site visit on January 16, 2003 I discussed options for generators with LVA personnel, and if I recall correctly, they indicated that they had explored a backup generator and that it would have to be approximately one mega watt to provide power from the pumps and treatment system. LVA has not indicated to Ecology how they intend to proceed.

If you have any other questions or comments please call me at (360) 407-6915.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric A. Oie". The signature is stylized with a large "E" and "O".

Eric A. Oie
Industrial Section



Department of Energy

Bonneville Power Administration
P.O. Box 61409
Vancouver, WA 98666-1409

TRANSMISSION BUSINESS LINE

January 17, 2003

In reply refer to: TM-OPP-2

Mr. Eric Oie
Washington Department of Ecology
P.O. Box 47706
Olympia, WA 98504-7706

Dear Mr. Oie:

On November 20, 2002, Bonneville Power Administration (BPA) representatives discussed with you, in a telephone conversation, the possibility of BPA terminating transmission of electric power, including Federal power sales, to Longview Aluminum LLC's (Longview) aluminum smelter located in Longview, Washington. BPA sought your input on the extent of the environmental impacts, if any, that might occur if Longview did not have access to electric power.

In the conversation, you stated that, without electric service, Longview could be in violation of its permit that allows it to produce discharges at the Longview site. Such a violation could result because certain pumping facilities would not be able to operate without a supply of electric power. You also suggested that limited environmental impacts may result. You explained that Longview, as the permit holder, is obligated to comply with the permit, and that compliance could be maintained with a back-up generator at the site. You stated that you would visit the site and recommend to Longview that they acquire a back-up source of electric power.

In early December, I sent to you a copy of the letter that I had sent to Longview on November 27, 2002, advising the company of BPA's plan to terminate transmission service to Longview on January 26, 2003, for nonpayment of bills. I would appreciate it if, by January 24, 2003, you would provide me with a written assessment of the environmental impacts that could result if Longview did not have access to a supply of electric power. Specifically, I would be interested in an assessment of: (1) the nature of any impacts that could reasonably be expected to occur immediately if a power source was not available; and (2) the nature of any cumulative impacts that could reasonably be expected to occur over days, weeks, and months if a power source was not available. I would also be interested in the status of your discussions with Longview regarding a back-up supply of electric power. Any relevant information that you could provide verbally to me prior to providing a written response would also be useful.

Thank you for your cooperation. If you have any questions associated with this request, please call me at (360) 619-6011.

Sincerely,

A handwritten signature in black ink, appearing to read "Al Paschke", is written over the word "Sincerely,".

Al Paschke
Transmission Account Executive
Transmission Marketing & Sales

03 JAN 23 PM 1:34

bcc:

✓ J. Meyer – KEP-4
K. Runzler – LP-7
S. Millar – LT-7
M. Miller – PT-5
R. Lahmann – TM-OPP-2
Official File – TM(TM-11)

APaschke:afp:6011:1/17/03 (w:\tm_wg\acctexec\paschke\customer\longview\oielongviewterm.doc)

CUMMINS & CRONIN, LLC

ROBERT P. CUMMINS
rpc@cummiscronin.com

ATTORNEYS AND COUNSELORS
77 WEST WACKER DRIVE
SUITE 4800
CHICAGO, ILLINOIS 60601
PHONE: (312) 578-0500
FAX: (312) 578-1234

THOMAS C. CRONIN
tcc@cummiscronin.com

Mark M.
Harvey C.
Kent R.
Steve O.

TELECOPIER TRANSMITTAL COVER SHEET

TO: Randy Hardy
Steve Wright
Al Paschke
Mark Miller
TELECOPIER No.: 509/623-0192
503/230-4018
360/619-6940
503/230-3681

FROM: Mr. John L. Kolleng

DATE: January 17, 2003
TIME: 5:45 pm

CLIENT/MATTER NO.: 294
OPERATOR: SMB

TOTAL NUMBER OF PAGES BEING SENT, INCLUDING THIS PAGE: 5

Message:

If you did not receive all pages, or if you have any questions, please call (312)578-0500.

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**LONGVIEW ALUMINUM LLC
20 SOUTH CLARK
SUITE 850
CHICAGO, IL 60602**

Mr. Al Paschke
Bonneville Power Administration
Transmission Marketing and Sales
TM-OPP-2
P.O. Box 61409
Vancouver, WA. 98666-1409

Mr. Mark Miller
Bonneville Power Administration
Account Executive
PT-5
P.O. Box 3621
Portland, OR. 97208-3621

Gentlemen:

On December 5, 2002, representatives of Longview Aluminum LLC. Met with officials from the Bonneville Power Administration (BPA) Transmission Business Line (TBL) and Power Business Line (PBL) to discuss outstanding transmission and power bills. Longview explained the difficult financial circumstances it faces which have led to the current payment problems. During that meeting, both TBL and PBL representatives asked Longview for a formal proposal to resolve these payment issues. Pursuant to that request, and the proposals discussed at our December 5, 2002 meeting, Longview suggests the following approach:

TBL

To resolve outstanding bills, principally related to use of facilities (UFT) charges, Longview commits to:

1. Transmission Resale

Not to use 278 megawatts (MW) of its total 280 MW network transmission allocation, from this date until April 1, 2003. This commitment should allow TBL to resell Longview's allocation, especially for east to west cross Cascade transmission on a multi-month basis, thereby receiving higher value. Should BPA be interested, it might also be possible to extend this commitment well beyond April 1, 2003

2. South Plant

While not yet finalized, Longview intends to permanently discontinue operations at the South Plant in the near future after consultation with USWA, and in so doing, make surplus the switching and other transmission facilities in Longview substation. This action should allow BPA to cease maintenance on that portion of the substation and begin salvaging the equipment there. It should also discontinue the approximately \$87,000/month UFT charges and treat the sunk costs for those surplus facilities as stranded costs at a future date.

3. Current UFT Charges

Longview agrees to pay that portion of its UFT charges for the Annex II facilities (i.e., those substation facilities that serve the North plant) from December 1 forward. Longview will forward a check for \$44,247 (the December UFT payment for Annex II facilities) to BPA by January 31, 2003. It will continue to pay Annex II UFT on whatever on whatever schedule is mutually agreed upon.

4. Past UFT Charges

Longview anticipates a source of funds being available later this month that would enable it to pay TBL \$250,000 now, for some past due amounts of UFT charges for Annex II. BPA could choose to apply this amount to the power bills, instead of the past due Annex II UFT charges, or split the amount in some other manner, that choice is obviously up to BPA. Longview would anticipate paying the balance of past due UFT charges when the smelter resumes operations.

5. Annex II Facilities

As we discussed at our December 5, 2002 meeting, Longview and the United Steelworkers (USW) are currently working on an ESOP arrangement to both resolve outstanding labor issues and to prepare the smelter for restart. While we cannot guarantee that this negotiation will be successful, we and the USW are optimistic about its prospects. If successful, the new arrangement should be in place about May 15, 2003, and would enable Longview to access additional lines of credit for the smelter. Based on this outcome, Longview would be seriously interested in purchasing the Annex II substation facilities which serve the North plant. Based on BPA's July 22, 2002 letter, it is our understanding that the proposed purchase price for said facilities would be \$1.955 million. Longview believes this price is well within its financial capability to accommodate once the ESOP arrangement is complete. Should these events unfold as expected, Longview, as part of the purchase negotiation, would request that BPA provide a credit against the purchase price for some portion of past UFT charges for the Annex II facilities. Needless to say, on a cash flow basis, the nearly \$2 million purchase amount would more than offset the total of outstanding UFT charges. It

would also facilitate BPA's continuing program of selling off low voltage equipment throughout the TBL system.

We believe the above described elements are consistent with our December 5, 2002 discussion and constitute a realistic, viable approach for starting to resolve our payment issues with TBL. In consideration of the foregoing, and because the ESOP arrangement will not be consummated until mid-May, Longview would respectfully request that BPA TBL postpone its January 26, 2003 service curtailment date until June 1, 2003. This delay would give Longview an opportunity to purchase the Annex II facilities (and thereby pay BPA nearly \$2 million), pay the Annex II UFT charges on an ongoing basis, and work out an appropriate payment schedule for the past due UFT charges.

PBL

Based upon our December 5, 2002 meeting and various November and December letters from Mark Miller, Longview believes it has four outstanding issues with PBL. Those issues, and Longview's proposal for resolving them, are as follows:

1. Prepayment

In accordance with BPA's letters of December 9 and 19, 2002, Longview has prepaid its power bills for December and January. It is Longview's intention to continue to prepay its BPA power bills for the foreseeable future.

2. Past Power Bills

Longview believes that it owes BPA \$282,461 for power received from August 1 – November 30, 2002. In previous conversations with BPA officials, Longview has indicated its intention to pay those bills as soon as it is financially able to do so. As mentioned earlier in this letter, we have suggested that the limited source of funds coming available later this month go to pay a portion of past TBL UFT charges. However, they could also be allocated to pay a portion of the outstanding power bills. To the extent the past due power bills remain unpaid, Longview would seek to repay them: (1) when the plant resumes operations; or (2) when the ESOP arrangement with USW is complete, whichever event occurs first.

3. Liquidated Damages

Longview's power sales contract requires Longview to pay liquidated damages for power contracted for but not used during any fiscal year. While Longview anticipated restarting on April 1, 2002, a combination of low aluminum prices and high BPA/market rates forced the smelter to remain shut down for all of FY 2002. On July 2, 2002, Longview declared a force majeure situation on its BPA power sales contract, due to an unresolved labor dispute with the USW. BPA subsequently indicated it disputed Longview's force majeure claim and, in November 2002, sent Longview a liquidated damages bill for roughly \$16 million. Of this total amount, \$1,856,666 constitutes the liquidated damages due before force majeure was declared (May 1 – July 1, 2002). As is clear from the

previous discussion, Longview is not in any financial condition to pay even this amount. We would anticipate working out a payment schedule for this portion of the liquidated damages claim once the Longview smelter resumes operations. For the roughly \$14.24 million subject to Longview's force majeure claim (from July 2 – September 30, 2002), we would anticipate either separate settlement discussions with BPA or following the arbitration procedure specified in the power sales contract. We would welcome any suggestions that BPA might have on how to resolve this issue.

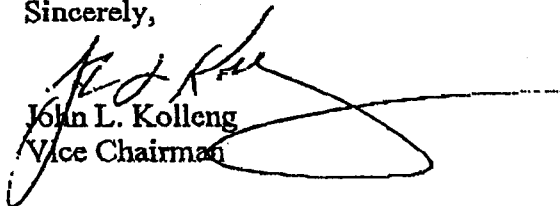
4. July Bill

Longview's letter of November 22, 2002, forwarded a payment of \$77,761 for the amount of power actually consumed during July, 2002, and explained our rationale for not paying the remaining amount claimed by BPA. This was a one time event involving a one day delay in the notice lead time for executing a curtailment agreement. Therefore, Longview would propose to hold the issue in abeyance until June 1, 2003. During this period, Longview will take steps (as described in the preceding section of this letter) to regain its financial health so it can address the disputed amount of the July bill.

Longview believes the above approach holds the highest probability of fulfilling its financial commitments to BPA PBL. In the meantime, we will continue to prepay our future power bills and look forward to realizing a source of funds to pay past bills in a timely fashion.

We appreciate BPA's patience in working with us to resolve these difficult issues. We look forward to your response to the proposals contained in this letter.

Sincerely,


John L. Kolleng
Vice Chairman

Cc: Steve Wright
Michael Lynch
Randy Hardy

JLK/smb



Department of Energy
Bonneville Power Administration
P.O. Box 491
Vancouver, Washington 98666-0491

TRANSMISSION BUSINESS LINE

December 5, 2002

In reply refer to: TM-Ditt2

Mr. Eric Oie
Washington Department of Ecology
P.O. Box 47706
Olympia, WA 98504-7706

Dear Eric:

In response to your request, I am enclosing a copy of the letter that I sent to Longview Aluminum, L.L.C. that notifies the company of the Bonneville Power Administration's plan to terminate transmission service for nonpayment of bills. I will advise you of future developments regarding this matter. If you have any questions, please call me at (360) 418-8283.

Sincerely,

A handwritten signature in black ink, appearing to read "Allan F. Paschke", is written over the typed name.

Allan F. Paschke
Transmission Account Executive
Transmission Marketing and Sales

Enclosure

SUMMARY OF LONGVIEW ALUMINUM FINANCIAL REVIEW

Based on information Provided by Longview Through June 26, 2002

Total paid to LVA		<u>\$226,000,000</u>
Paid to ABLECO		\$167,105,553
Wages, Salaries & Other Employee Benefits		
Salaried Wages & Benefits	\$10,581,271	
Hourly Wages & Benefits	\$25,448,592	
		<u>\$36,029,863</u>
Power and Transmission Expenditures thru LAC		\$3,385,680
Other LAC Expenditures		
Loan Fees (ABLECO and GLP)	\$847,244	
Fixed assets and upgrades	\$730,376	
Professional fees	\$4,332,938	
Loan Payments (Acq. Inv. To McCook)	\$3,280,553	
Life Insurance Premiums & Other Expenditures	\$3,176,355	
Short Term Investments	\$600,000	
Miscellaneous	\$683,315	
		<u>\$13,650,781</u>
Operating Expenses		
Insurances	\$1,864,060	
Other Operating Expenses	\$4,047,334	
		<u>\$5,911,394</u>
Total Qualified Expenditures		<u>\$226,083,271</u>
Excess Expenditures over Reimbursements paid by BPA		<u><u>(\$83,271)</u></u>

Acknowledged and agreed

Samuel, Son Chicago Ltd.

By: _____

[Signature]

Date: _____

May 26, 1999

LongView Aluminum Company
Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:		1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures
Payroll & Taxes	F	\$2,739,121.18	\$2,136,761.10	\$6,029,811.99	\$10,915,606.18 [4]
Retiree Payout	F	\$500,000.00		\$1,255,198.73	\$1,755,198.73 [5]
Hourly Workmans Compensation	F	\$52,280.52		\$67,629.57	\$119,910.09
Hourly 401K	F	\$1,074,374.02	\$220,403.71	\$10.85	\$1,294,788.58
Hourly Pension	F	\$280,825.00		\$280,825.00	\$561,650.00
Hourly Union Dues	F	\$110,781.70	\$8,445.08	\$29,320.29	\$148,547.07
Hourly Credit Union	F	\$163,357.82		\$127,326.48	\$290,684.30
Hourly Other Payroll Deductions	F	\$30,476.95	\$3,862.15	\$4,360.17	\$38,699.27
Hourly Tuition	F	\$3,788.00	\$797.70	\$1,908.04	\$6,493.74
Hourly Medical	F	\$2,913,063.14	\$323,725.65	\$332,771.46	\$3,569,560.25
Hourly Dental	F	\$265,838.97	\$24,693.77	\$25,249.93	\$315,782.67
Hourly Life Insurance	F	\$87,349.50	\$18,726.75		\$106,076.25
Other	F	\$877.42			\$877.42
Hourly VEBA				\$590,190.00	\$590,190.00
Salaried: Payroll & Taxes				\$74,567.39	\$74,567.39 [6]
Salaried Workmans Compensation				\$496,270.21	\$496,270.21
Salaried: 401K				\$126,432.60	\$126,432.60
Salaried Credit Union				\$7,945.76	\$7,945.76
Salaried: Other Pd Deductions				\$3,078.62	\$3,078.62
Salaried Tuition				\$727,112.47	\$727,112.47
Salaried Medical				\$127,007.95	\$127,007.95
Salaried Dental				\$114,197.15	\$114,197.15
Salaried Life Insurance				\$12,101,306.39	\$12,101,306.39 [1]
		\$13,756,926.22 [3]	\$2,737,415.82 [2]	\$12,101,306.39 [1]	\$28,595,648.43 [63.16%

LongView Aluminum Company
Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:		1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures
West Water Plan				\$42,102.89	\$42,102.89
Disposal Fees				\$164,716.94	\$164,716.94
Employee Ben/Activity				\$27,126.10	\$27,126.10
Environmental				\$66,449.03	\$66,449.03
Freight				\$55,839.34	\$55,839.34
Ground Keepers				\$11,630.89	\$11,630.89
Guard				\$26,995.62	\$26,995.62
Insurance: Property				\$650,000.00	
Insurance: Boiler & Machinery				\$196,050.00	
Insurance: Other				\$396,762.00	
Manufacturing Supplies				\$979,005.02	[15] \$1,242,812.00
Repairs & Maintenance				\$328,142.90	[7] \$979,005.02
R&M Supplies				\$170,346.97	[8] \$328,142.90
Sampling & Testing				\$48,521.89	
Training				\$9,998.26	
Business Licenses				\$7,214.23	
Data Processing				\$40,440.79	
Travel				\$143,004.28	
M&E				\$6,597.17	
Meetings & Seminars				\$2,125.15	
Natural Gas				\$278,764.47	
Office Expense				\$15,796.45	
Payroll Services				\$56,062.32	
Postage				\$8,057.87	
Outside Services				\$58,401.22	
Rental & Miscellaneous Equipment				\$24,650.45	
Taxes & Use				\$18,729.18	
Taxes Other				\$14,302.32	
Telephone				\$27,982.24	
Bank Charges				\$7,619.85	
		\$0.00	\$0.00	\$3,883,435.84	\$3,883,435.84
					8.58%

LongView Aluminum Company

Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:		1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures
Power				\$1,416,544.00 F	\$1,416,544.00
Power Transmission				\$510,186.00 F	\$510,186.00
		\$0.00	\$0.00	\$1,926,730.00 [1]	\$1,926,730.00 4.26%
Fixed Assets				\$2,730,376.36 F	\$2,730,376.36 [9]
Capital Upgrades				\$510,186.00 [10]	\$510,186.00 [14]
Loan: Ableco Fees		\$0.00	\$0.00	\$730,376.36 [1]	\$730,376.36 1.61%
Loan: Great Lake Processing				\$500,000.00 F	\$500,000.00 [11]
				\$125,000.00 F	\$125,000.00 [11]
		\$0.00	\$0.00	\$625,000.00 [1]	\$625,000.00 1.38%
Professional Fees: Legal				\$1,457,944.44	\$1,457,944.44
Professional Fees: Accounting				\$721,700.00	\$721,700.00
Professional Fees: Environmental				\$298,625.35	\$298,625.35
Professional Fees: Other				\$302,024.90	\$302,024.90
		\$0.00	\$0.00	\$2,780,294.69 [1]	\$2,780,294.69 6.14%
Acquisition Investments - To McCook				\$2,780,294.69 F	\$2,780,294.69 [12]
Acquisition Investments - Other				\$2,780,294.69	\$2,780,294.69 [13]
UnCategorized Costs				\$361,683.97	\$361,683.97
		\$0.00	\$0.00	\$6,147,541.70	\$6,147,541.70 13.58%
Total Company Expenditures		\$13,756,926.22	\$2,737,415.82	\$28,194,684.98 [1]	\$44,689,027.02 98.71%

Payments Paid by BPA

Union Accounts Payments: (\$17,233,334.00 + \$3,100,000.00 + \$6,216,666.00)

Less Amount Paid Directly to USWA (Union):

Company Account Payments

Payments Paid by BPA to Longview Aluminum Through January 21, 2002

\$26,550,000.00 [1]
(\$3,100,000.00) [1]

\$23,450,000.00

\$21,822,500.00 [1]

\$45,272,500.00 100.00%

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Power Purchases

Vendor Name	Check Number	Date	Amount
BPA	1042M	4/9/01	\$136,142.00
BPA	Wire	5/7/01	\$457,402.00
BPA	Wire	6/18/01	\$157,150.00
BPA	Wire	6/27/01	\$130,800.00
BPA	Wire	7/30/01	\$114,850.00
BPA	Wire	9/13/01	\$97,350.00
BPA	Wire	10/12/01	\$94,400.00
BPA	Wire	12/26/01	\$108,050.00
BPA	Wire	1/16/02	\$120,400.00
			<u><u>\$1,416,544.00</u></u>

Analysis of Transmission Purchases

	Check Number	Date	Amount
BPA	Wire	11/6/01	\$85,600.00
BPA	Wire	12/11/01	\$140,566.00
BPA	Wire	12/26/01	\$141,471.00
BPA	Wire	1/23/02	\$142,549.00
			<u><u>\$510,186.00</u></u>

Total BPA Purchases

\$1,926,730.00

Analysis of Fixed Assets and Capital Upgrades

Vendor Name	Check Number	Date	Amount
PHH Leasing	1434	7/10/01	\$15,605.60
Dell Financial Services	1608	8/27/01	\$33,644.47
SoftMart	1685	9/13/01	\$5,287.22
Wonder ware one year life	2239	12/5/01	\$30,620.00
CSB Systems (ERP)	2276	12/14/01	\$108,470.00
CSB Systems (Support)	2277	12/14/01	\$23,846.40
			<u><u>\$217,473.69</u></u>

[9] Documentation
Reviewed

[9] Doc. Reviewed

[9] Doc. Reviewed

J.H. Kelly	1239	5/29/01	\$139,367.97	[10] Doc. Reviewed
J.H. Kelly	1415	7/10/01	\$87,887.36	[10] Doc. Reviewed
J.H. Kelly	1475	7/23/01	\$146,530.81	[10] Doc. Reviewed
J.H. Kelly (Voided)	1415	7/30/01	(\$87,887.36)	[10] Doc. Reviewed
J.H. Kelly	1516	7/30/01	\$43,943.68	[10] Doc. Reviewed
J.H. Kelly	1518	8/8/01	\$43,943.68	[10] Doc. Reviewed
J.H. Kelly	1561	8/8/01	\$17,796.28	[10] Doc. Reviewed
J.H. Kelly	1610	8/27/01	\$90,969.39	[10] Doc. Reviewed
J.H. Kelly	1051	4/18/01	\$30,350.46	[10] Doc. Reviewed
			<u><u>\$512,902.27</u></u>	

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Loans

Vendor Name	Check Number	Date	Amount
Keilin & Co.	1308	6/14/01	\$100,000.00
Ableco Finance	1746	9/25/01	\$100,000.00
Great Lakes Processing	Wire	10/17/01	\$75,000.00
Ableco Finance Aquatic Lease	Wire	11/15/01	\$100,000.00
Great Lakes Processing	2352	12/21/01	\$50,000.00
Ableco Financing	2379	12/21/01	\$100,000.00
Ableco Financing - Aquatic land Lease	Wire	1/7/02	\$100,000.00
			<u><u>\$625,000.00</u></u>

Great Lakes Processing (Inconsistent Information)	\$125,000.00	[11] Explan. Requested
Ableco Fees (5 late fee payments on loan)	\$500,000.00	[11] Explan. Requested
	<u><u>\$625,000.00</u></u>	

Analysis of Acquisition Investments - To McCook

Vendor Name	Check Number	Date	Amount	
McCook Metals LLC	Wire	4/27/01	\$1,000,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	6/29/01	\$300,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/17/01	\$179,500.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/18/01	\$168,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/18/01	\$168,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/20/01	\$141,930.75	[12] Explan. Requested
McCook Metals LLC	Wire	7/23/01	\$54,925.19	[12] Explan. Requested
McCook Metals LLC	Wire	7/24/01	\$149,666.29	[12] Explan. Requested
McCook Metals LLC	Wire	7/25/01	\$21,865.73	[12] Explan. Requested
McCook Metals LLC	Wire	7/26/01	\$37,790.98	[12] Explan. Requested
McCook Metals LLC	Wire	7/26/01	\$114,600.20	[12] Explan. Requested
McCook Metals LLC	Wire	7/27/01	\$66,961.77	[12] Explan. Requested
McCook Metals LLC	Wire	7/30/01	\$148,312.06	[12] Explan. Requested
McCook Metals LLC	Wire	7/31/01	\$317,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	8/1/01	\$1,000,000.00	[12] Explan. Requested
McCook Metals LLC - Deposit	Wire	8/2/01	(\$588,000.00)	[12] Explan. Requested
			<u><u>\$3,280,552.97</u></u>	

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Acquisition Investments - Other			
Vendor Name	Check Number	Date	Amount
Edgar A. Stark Jr.	1093	4/25/01	\$4,386.40
Samuel & Son	1288	6/7/01	\$100,000.00
Security Connecticut - Lynch	1340	6/25/01	\$156,085.00
Security Connecticut - McCall	1341	6/25/01	\$55,250.00
Security Connecticut - Ohalski	1342	6/25/01	\$75,960.00
Security Connecticut - Kolleng	1343	6/25/01	\$84,713.00
Samuel & Son - Voided 8/9 - Valid 12 M.	1461	7/23/01	\$100,000.00
Jenkins & Gilchrist	Wire	7/24/01	\$400,000.00
Dynegy	Wire	7/26/01	\$369,400.00
Samuel & Son - Stop Payment 8/9	1461	8/9/01	(\$100,000.00)
Samuel & Son - Replace Stop Pymt.	Wire	8/9/01	\$100,000.00
American Express	1566	8/15/01	\$15,554.08
Samuel & Son	Wire	9/13/01	\$100,000.00
Samuel & Son	Wire	9/26/01	\$100,000.00
American Express	1841	10/12/01	\$29,469.78
Samuel & Son	Wire	10/16/01	\$100,000.00
Samuel & Son	Wire	10/29/01	\$150,000.00
American Express	1927	11/1/01	\$24,486.50
Samuel & Son	Wire	11/29/01	\$150,000.00
Samuel & Son	Wire	12/12/01	\$100,000.00
Samuel Son & Co.	Wire	12/13/01	\$150,000.00
Samuel & Son	Wire	1/9/02	\$100,000.00
Samuel & Son	Wire	2/1/02	\$100,000.00
LECG	1072	4/18/01	\$40,000.00
			<u>\$2,505,304.76</u>

Need explanation of Samuel & Son payments

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Insurance Payments:

Vendor Name	Invoice Number	Invoice Date	Amount	
Liability	4666	3/19/01	\$25,000.00	[15]
Property	4667	3/19/01	\$162,500.00	[15]
Environmental / Pollution	4668	3/19/01	\$23,642.00	[15]
Umbrella	4669	3/19/01	\$14,375.00	[15]
Crime	4670	3/19/01	\$2,735.00	[15]
Fiduciary	4671	3/19/01	\$787.50	[15]
Directors & Officers	4672	3/19/01	\$4,024.33	[15]
Fees & Taxes	4673	3/19/01	\$695.00	[15]
Boiler & Machinery	4674	3/19/01	\$49,067.00	[15]
Auto	4676	3/19/01	\$3,500.00	[15]
			\$286,325.83	
Imperial Premium Finance		3/27/01	\$89,188.04	[15]
Imperial Premium Finance		4/27/01	\$89,188.04	[15]
Imperial Premium Finance		5/27/01	\$89,188.04	[15]
Imperial Premium Finance		6/27/01	\$89,188.04	[15]
Imperial Premium Finance		7/27/01	\$89,188.04	[15]
Imperial Premium Finance		8/27/01	\$89,188.04	[15]
Imperial Premium Finance		9/27/01	\$89,188.04	[15]
Imperial Premium Finance		10/27/01	\$89,188.04	[15]
Imperial Premium Finance		11/27/01	\$89,188.04	[15]
			\$802,692.36	
Eugene Tkalitch	7676	3/19/01	\$8,333.00	[15]
Eugene Tkalitch	4681	4/1/01	\$8,333.00	[15]
Eugene Tkalitch	4688	3/30/01	(\$118.00)	[15]
Eugene Tkalitch	4720	5/27/01	\$8,333.00	[15]
Eugene Tkalitch	4749	6/27/01	\$8,333.00	[15]
Eugene Tkalitch	4750	6/27/01	\$3,500.00	[15]
Eugene Tkalitch	4769	6/8/01	\$1,355.50	[15]
Eugene Tkalitch	4781	6/30/01	\$8,333.00	[15]
Eugene Tkalitch	4819	7/18/01	\$300.00	[15]
Eugene Tkalitch	4833	7/31/01	\$8,333.00	[15]
Eugene Tkalitch	4862	8/27/01	\$8,333.00	[15]
Eugene Tkalitch	4863	8/27/01	\$3,772.25	[15]
Eugene Tkalitch	4903	10/27/01	\$8,333.00	[15]
Eugene Tkalitch	4981	10/27/01	\$8,333.00	[15]
Eugene Tkalitch	5008	11/27/01	\$3,772.25	[15]
			\$87,579.00	
				[15] Request
Imperial A.I. Finance		9/7/01	\$14,749.88	Documentation
				[15] Request
Imperial A.I. Finance		9/14/01	\$10,292.39	Documentation
				[15] Request
Imperial A.I. Finance		10/12/01	\$10,292.39	Documentation
				[15] Request
Imperial A.I. Finance		11/15/01	\$10,292.39	Documentation
				[15] Request
Imperial A.I. Finance		12/17/01	\$10,292.39	Documentation
				[15] Request
Imperial A.I. Finance		1/15/02	\$10,292.39	Documentation
			\$66,211.83	
Insurances:			\$1,242,809.02	

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Hourly Payroll

Month	Gross Payroll	Net Payroll	Total Hourly Payroll & Taxes
March 4, 2001 (Week 10)	\$374,132.09	\$225,039.03	\$337,968.97
Voided March Checks	(\$48,699.55)	(\$31,045.70)	(\$47,553.26)
Reissued Checks	\$40,341.46	\$25,186.59	\$38,067.49
March 15, 2001 (Week 11)	\$395,915.43	\$248,804.01	\$367,675.31
Additional Payroll 3/15	\$748.31	\$939.45	\$1,045.68
March 22, 2001 (Week 12)	\$351,865.27	\$145,084.14	\$232,827.43
Additional Payroll 3/22	\$973.76	(\$542.73)	(\$493.78)
March 29, 2001 (Week 13)	\$357,950.36	\$88,501.93	\$109,597.57
Additional Payroll 3/22	\$6,333.84	\$6,451.64	\$6,528.69
Miscellaneous Difference		\$40.00	\$40.00
Mar-01	\$1,479,561.47	\$708,558.36	\$1,045,704.10
Apr-01	\$1,551,496.39	\$377,020.53	\$567,787.88
SUTA Quarterly Taxes			\$13,574.67
May-01	\$1,785,949.12	\$345,117.64	\$666,552.59
Jun-01	\$1,441,970.24	\$257,697.55	\$523,184.90
Jul-01	\$1,442,050.50	\$257,192.52	\$542,926.67
SUTA Quarterly Taxes			\$37,076.11
Aug-01	\$1,808,428.88	\$314,572.80	\$682,784.29
Sep-01	\$1,429,657.70	\$270,154.25	\$592,973.15
Oct-01	\$1,745,517.85	\$550,554.39	\$1,217,777.36
SUTA Quarterly Taxes			\$10,891.67
Nov-01	\$1,392,285.03	\$552,177.30	\$1,248,621.25
Dec-01	\$1,399,096.20	\$569,831.73	\$1,103,106.20
Taxes Not Deposited do to Overpayment with IRS			
Jan-02	\$1,741,852.31	\$745,736.31	\$1,559,689.47
SUTA Quarterly Taxes			\$22,044.32
Feb-02	\$352,885.41	\$157,284.60	\$325,690.44
		\$5,105,897.98	\$10,160,385.07
Differences:			(\$46,778.89)
Retirees Payout April 2001		\$1,607,396.85	
	\$17,570,751.10	\$6,713,294.83	\$10,113,606.18

[6] Summary of Net
Payroll Requested

[6] Summary of Net
Payroll Requested

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Salaried Payroll

Month	Gross Payroll	Net Payroll	Total Hourly Payroll & Taxes
March 15, 2001 (Week 11)	\$305,389.88	\$192,925.24	\$297,053.33
March 31, 2001 (Week 13)	\$342,346.33	\$216,191.13	\$332,694.87
Supplemental (Week 13)	\$34,198.37	\$25,631.41	\$17,547.19
Garnishment (Week 13)		\$340.07	\$340.07
Mar-01	\$682,134.63	\$435,337.85	\$667,935.39
Apr-01	\$645,040.77	\$312,999.44	\$622,269.43
SUTA Quarterly Taxes			\$9,140.60
May-01	\$694,163.36	\$177,816.73	\$629,290.86
Jun-01	\$613,186.00	\$132,567.55	\$548,269.16
Jul-01	\$667,978.70	\$177,671.45	\$623,082.78
SUTA Quarterly Taxes			\$19,067.90
Aug-01	\$649,511.77	\$142,430.78	\$583,538.90
Sep-01	\$649,835.98	\$159,672.19	\$605,950.81
Oct-01	\$647,985.76	\$153,833.12	\$622,792.83
SUTA Quarterly Taxes			\$4,519.10
Nov-01	\$634,604.98	\$150,201.46	\$615,834.77
Dec-01	\$617,485.26	\$152,753.25	\$516,072.03
Jan-02	\$512,348.18	\$104,172.54	\$500,808.55
SUTA Quarterly Taxes			\$8,788.45
FICA Refund to Hourly Employees			\$362,260.17
FICA Refund to Salaried Employees			\$60,756.05
Miscellaneous Difference			\$6,593.95
	\$7,014,275.39	\$2,099,456.36	\$7,006,971.73

[4] Summary of Net
Payroll Requested
[4] Summary of Net
Payroll Requested
[4] Summary of Net
Payroll Requested

**LongView Aluminum Company Company Expenditures
for the Period March 22, 2001 through February 6, 2002
Analysis & Review Notes**

F - Footed Longview Aluminum worksheet. Noted detail expenditures/transfers agreed to footed totals.

[1] - Agreed to Longview Aluminum disbursement summary & BPA Payment Reconciliation worksheets.

[2] - Agreed to Longview Aluminum Second Union Account payment schedule.

[3] - Agreed to Longview Aluminum First Union Account payment schedule net of unclassified bank transfers.
(\$16,199,126.22 - \$2,442,200.00) = \$13,756,926.22.

[4] - Verified internal consistency of document data for payroll periods 3/8/01 (Week 10), 3/15/01 (Week 11), 3/29/01 (Week 13), 8/2/01 (Week 31).

Vouched monthly summary detail totals to the period summary 3/2/01 through 2/7/02.

Footed the period summary totals for gross pay, net checks paid, total tax liability, ACH direct deposits, garnishment liability, total liability, adjusted payroll liability, SUTA quarterly taxes, and total hourly payroll and taxes. Noted total hourly payroll and taxes per the period summary agreed to the disbursement summary total for hourly payroll & taxes. (\$10,113,606.18). No significant exceptions noted.

Requested a list of employees paid for week 13 (March 15, 2001) that shows net paid by employee that totals \$216191.13 + \$25381.47 + \$840.07 = \$242,412.67.

[5] - Reviewed April 5, 2001 retiree payout lead sheet. Noted Gross Retiree Payout equaled \$2,550,000.00, Net checks equaled \$1,607,396.85, and Total Liability agreed to disbursement summary total. (\$2,755,198.73).

[6] - Verified internal consistency of document data for pay periods 3/15/01 (Week 11), and 3/31/01 (Week 13).

Vouched monthly summary detail totals to the period summary March 2001 through January 2002.

Footed the period summary totals for gross pay, net checks, total tax liability, ACH direct deposits, garnishment liability, total liability, adjusted payroll liability and salaried payroll and taxes.

Noted total salaried payroll and taxes per the period summary agreed to the disbursement summary total for salaried payroll and taxes. No significant exceptions noted.

Requested a list of employees paid for week 13 (March 15, 2001) that shows net paid by employee that totals \$88,601.93 + \$6,451.64 = \$95,053.57.

[7] - Reviewed Reliable Steel invoice (Inv. #3288/12/31/01) and check copy (chk #5617/1/24/02) for \$41,565.96.

Reviewed Helser Industries invoice (Inv. #17490/12/20/01) and check copy (chk #2492/1/10/02) for \$33,750.00. Noted invoice, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[8] - Reviewed Protective Coating Consultants invoice (Inv. #16776/11/14/01) and check copy (chk#2218/12/05/01) for \$3,843.00. Noted invoice, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[9] - Reviewed PHH Vehicle Management Services vehicle sales documents (for three vehicles) & related correspondence, check copy (chk#1434). Noted sales invoices total, check copy and disbursement summary dollar amounts agreed. The purchase price for each vehicle showed \$5,650.20, \$7,533.20, \$422.2 = \$15,605.60. No exceptions noted. Reviewed CSB Systems invoice (inv.#8428/1/29/02), quote sheets/ordering document (12/10/01), check copy (chk#2276/12/14/01). Noted quote sheet total, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[10] - Reviewed J.H. Kelly Building Trust Invoice (inv# KW10247/3/23/01), check copy (chk#1239/5/29/01), and supporting invoice documentation. Noted invoice, check copy and disbursement summary dollar amounts agreed. No exceptions noted.

**LongView Aluminum Company Company Expenditures
for the Period March 22, 2001 through February 6, 2002
Analysis & Review Notes**

[11] - Reviewed borrowing agreement dated February 26, 2001 between Longview Aluminum, LLC and ABLECO Finance LLC. Noted original loan was \$155,000,000.00. Also reviewed Agent Fee Letter dated 2/26/01 making reference to \$100,000 Administrative Agent fee payable on the last business day of each calendar quarter. Reviewed Longview Aluminum reference schedule. That schedule infers that the two payments paid to Great Lake Processing were infact payments to Ableco. However, the attached documentation provided by Longview Aluminum including wire transfer dates appears to be inconsistent with original disbursement summary dates. That is, GLP Wire / Date per disbursement summary shows 10/17/01 for \$75,000 and check no 2352 on 12/21/01 for \$50,000. The provided documentation shows wire transfers occurred on 1/31/01 for both amounts. The documentation provided does not clearly answer the initial question/concern. Request a clear and concise explanation for the two payment amounts of \$125,000 and \$500,000 respectively too Great Lake Processing and Abelco.

[12] - Reviewed various legal documentation provided. The documentation does not answer the question what is the basic nature/purpose for the category of costs referred to as 'Acquisition Investments - To McCook. Please provide a concise and to the point explanation for the \$3,280,552.97 payments to McCook Metals LLC.

[13] - Reviewed Life Insurance Premium Payments paid to Security Connecticut (\$ 372,008.00) as follows: (a) \$156,085.00 for annual premium on Lynch (Policy Number SC23404256 / Check No. 25438 / Chk Date 12/29/00); (b) \$55,250.00 for annual premium James McCa (Policy Number SC2340409G / Check No. 25453 / Chk Date 12/29/00); (c) \$75,960.00 for annual premium M. Ochalski (Policy Number SC2340417G / Check No. 25451 / Chk Date 12/29/00); (d) \$84713.00 for annual premium J. Koll (Policy Number SC2340415M2001 / Check No. 26262 / Chk Date 2/14/01). No documentation was provided regarding Samuel & Son. Total payments paid to Samuel & Son were \$1,250,000.

[14] - Unreconciled amounts were provided as follows: Other Acquisition Costs \$40,000.00 4/18/01 Check No. 1072. Capital Projects \$30,350.46 4/18/01 Check No. 1051. See Analysis of Costs.

[15] - Reviewed nine invoices dated 3/19/01 for [4666 (\$25,003.00), 4667 (\$162,500.00), 4668 (\$23,642.00), 4669 (\$14,375.00), 4670 (\$2,735.00), 4671 (\$787.50), 4672 (\$4,024.33), 4673 (\$695.00), 4674 (\$49,067.00), 4676 (\$3,500.00)] that totaled \$286,328.83 that were paid to Eugene Tkallitch & Associates, Ltd. pertaining to various insurance premiums and policies.

Reviewed nine premium/installment invoices for \$89,188.04 paid to Imperial A.I. Credit Companies (premium periods 3/27/01, 4/27/01, 5/27/01, 6/27/01, 7/27/01, 8/27/01, 9/27/01, 10/27/01, 11/27/01) that totaled \$802,692.36.

Reviewed fifteen invoices paid to Eugene Tkallitch & Associates, Ltd. (Inv# 7676-3/19/01 (\$8,333.00), Inv.# 4681-4/1/01 (\$8,333.00), Inv.# 4688-3/30/01 (Credit \$118.00), Inv.# 4720-5/27/01 (\$8,333.00), Inv.# 4749-6/27/01 (\$8,333.00), Inv.# 4750-6/27/01 (\$3,500.00), Inv.# 4769-6/8/01 (\$1,355.50), Inv.# 4781-6/30/01 (\$8,333.00), Inv.# 4819-7/18/01 (\$300.00), Inv.# 4833-7/31/01 (\$8,333.00), Inv.# 4862-8/27/01 (\$8,333.00), Inv.# 4863-8/27/01 (\$3,772.25), Inv.# 4903-10/27/01 (\$8,333.00), Inv.# 4981-10/29/01 (\$8,333.00), Inv.# 5008-11/27/01 (\$3,772.25).

Additional Insurance Review: Noted insurance policies were available for review from the following insurers:

- (a) CHUBB (Policy No. 3576-75-43 CHI Liability Insurance);
- (b) CHUBB (Policy Number 8185-03-81 Executive Protection Policy); CHUBB (Policy Number 7640-15-00 Boiler & Machinery);
- (c) CHUBB (Policy Number 8185-04-55 Liability Insurance);
- (d) CHUBB (Policy Number 7350-74-93 Business Auto Policy);
- (e) Industrial Risk Insurers (Policy Number 31-3-68627);
- (f) Indian Harbor Insurance Company (Policy Number PEC0008721 Liability Insurance);
- (g) Fireman's Fund Insurance Companies (Policy Number XYZ-000-8448-5556).

A schedule of premium payments to Imperial A.I. Finance that totaled \$66,211.83 was provided without explanatory invoices/check copies.

Other Review Procedures Performed: On a select random basis, traced deposits and disbursements from the expenditure information to the various bank statements provided. Traced BPA payment amounts to related expenditure information and bank statements provided.

February 11, 2002

Mr. Mark E. Miller
Customer Account Executive
Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

Re: Longview Aluminum LLC Confidential Records

Dear Mr. Miller:

Longview Aluminum LLC ("Longview Aluminum"), pursuant to Section 10(f) of the Curtailment Agreement between Longview Aluminum and Bonneville Power Administration ("BPA") (the "Curtailment Agreement"), is hereby voluntarily making available to BPA the certain bank statements and other financial records of Longview Aluminum (the "Longview Aluminum Records").

Please note that each of the Longview Aluminum Records have been legended as follows:

THE INFORMATION CONTAINED IN THIS DOCUMENT IS BEING PROVIDED VOLUNTARILY TO BONNEVILLE POWER AUTHORITY (BPA), AN AGENCY OF THE FEDERAL GOVERNMENT. THE INFORMATION CONTAINED IN THIS DOCUMENT SHALL BE USED BY BPA ONLY FOR THE PERFORMANCE OF ITS OFFICIAL DUTIES WITH RESPECT TO THE CURTAILMENT AGREEMENT, CONTRACT NO. 01PB-10786 (THE "CURTAILMENT AGREEMENT"). THE INFORMATION CONTAINED IN THIS DOCUMENT: IS THE PROPERTY OF LONGVIEW ALUMINUM, LLC ("LONGVIEW"); IS CONFIDENTIAL AND FINANCIAL INFORMATION OF LONGVIEW, AND CONCERNS AND RELATES TO THE INCOME, PROFIT, LOSSES AND/OR EXPENDITURES OF LONGVIEW, AS SUCH TERMS ARE USED IN THE TRADE SECRETS ACT, 18 U.S.C. 1905. THE INFORMATION CONTAINED IN THIS DOCUMENT AND ALL INFORMATION DERIVED THEREFROM: IS EXEMPT FROM RELEASE UNDER THE FREEDOM OF INFORMATION ACT; AND, PURSUANT TO THE TRADE SECRETS ACT, 18 U.S.C. 1905, SHALL NOT BE DISCLOSED OR MADE KNOWN BY BPA OR ANY AGENCY, OFFICER OR EMPLOYEE OF THE FEDERAL GOVERNMENT TO PERSON OUTSIDE THE FEDERAL GOVERNMENT WITHOUT LONGVIEW'S WRITTEN PERMISSION.

The Longview Aluminum Records and any notes, memoranda, reports or other documents that incorporate or reference information contained in the Longview Aluminum Records (collectively, the "Longview Aluminum Documents") are subject to the restrictions on use and disclosure set forth in the Confidentiality Agreement entered into between BPA and Longview Aluminum on January 29, 2002 and such other restrictions on use and disclosure set forth in federal law and regulations, including the Trade Secrets Act, 18 U.S.C. § 1905

(hereinafter, the "Trade Secrets Act") and the exemptions to release or disclosure under the Freedom of Information Act, 5 U.S.C. § 552 *et seq.* (hereinafter, "FOIA").

The Longview Aluminum Documents and the information contained therein concern and relate to the "income, profit, losses and/or expenditures" of Longview Aluminum (as such terms are used in the Trade Secrets Act) and, thus, constitute the "trade secrets" of Longview Aluminum (as the term "trade secrets" is used in the Trade Secrets Act).

Longview Aluminum hereby advises BPA that any act by BPA or any agency, officer or employee of the Federal Government that results in the disclosure of the Longview Aluminum Documents to any person outside the Federal Government, without Longview Aluminum's advance written permission, is likely to cause substantial harm to the competitive position of Longview Aluminum, for at least the following reasons:

1. Longview Aluminum does not customarily release to the public either the Longview Aluminum Records nor the information contained in those records;
2. Neither the Longview Aluminum Records nor the information contained in those records has been publicly disseminated or is available from other sources;
3. As previously noted, the data contained in the Longview Aluminum Records concern, relate to and reveal expenditures, assets and/or profits/losses of Longview Aluminum;
4. The data contained in the Longview Aluminum Records relate to Longview Aluminum's workforce and could enable competitors to deduce labor costs, profit margins, competitive vulnerability and predict product and process changes; and
5. The Longview Aluminum Records include information concerning Longview Aluminum as a borrower on bank loans.

Given the foregoing, the Longview Aluminum Documents and the information contained therein, plus all information derived therefrom, is exempt from release under FOIA and is subject to the Trade Secrets Act prohibitions on release.

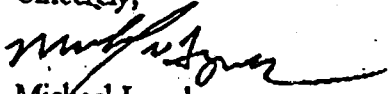
Accordingly, none of the Longview Aluminum Documents, nor any information contained in or derived from the Longview Aluminum Documents, shall be disclosed or made known by BPA or any agency, officer or employee of the Federal Government to any person outside the Federal Government without Longview Aluminum's advance written permission.

Longview Aluminum hereby requests that BPA notify Longview Aluminum, in writing, should any person outside the Federal Government request access to the Longview

17
Mr. Mark E. Miller, Customer Account Executive
Department of Energy, Bonneville Power Administration
February 11, 2002
Page 3

Aluminum Documents or any information contained in or derived from those records.
Longview Aluminum also hereby asks that BPA give Longview Aluminum such notice in
sufficient time prior to any such disclosure so as to allow Longview Aluminum to pursue
appropriate remedies to preserve the confidentiality of the information.

Sincerely,



Michael Lynch
Chairman
for Longview Aluminum, LLC

JLK/slf

Enclosures

mw
2/11/02

July 10, 2002

Mr. Mark E. Miller
Customer Account Executive
Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

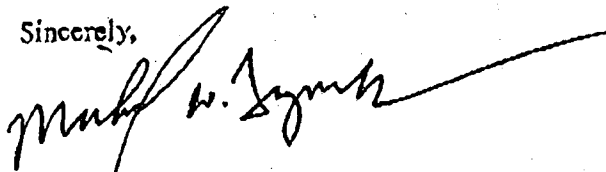
Re: Longview Aluminum LLC Confidential Records

Dear Mr. Miller:

Longview Aluminum, LLC ("Longview Aluminum"), pursuant to Section 10(f) of the Curtailment Agreement between Bonneville Power Administration ("BPA") and Longview Aluminum (Contract No. 01PB-10786) (the "Curtailment Agreement"), is hereby voluntarily making available to BPA certain additional Longview Aluminum records (the "Longview Aluminum Records") in good faith partial response to the letter dated February 22, 2002, from Mark E. Miller of BPA to John L. Kollong of Longview (the "Letter") or supplemental requests received from BPA ("Supplemental Requests"). The legended Longview Aluminum Records are subject to the legends and restrictions as set forth in Attachment A of this letter.

Longview is continuing its efforts to compile and provide to BPA documents responsive to the Letter or Supplemental Requests. Longview expects to be able to provide BPA with additional documents and/or information by Wednesday, July 17, 2002. As to bank statements for June, 2002, Longview will be able to provide such statements at the end of July, 2002, after Longview has closed its books for the month of June, 2002.

Sincerely,



Michael Lynch
Chairman
for Longview Aluminum, LLC

Enclosures

Attachment A

Please note that certain Longview Aluminum Records have been legended as follows:

THE INFORMATION CONTAINED IN THIS DOCUMENT IS BEING PROVIDED VOLUNTARILY TO BONNEVILLE POWER AUTHORITY (BPA), AN AGENCY OF THE FEDERAL GOVERNMENT. THE INFORMATION CONTAINED IN THIS DOCUMENT SHALL BE USED BY BPA ONLY FOR THE PERFORMANCE OF ITS OFFICIAL DUTIES WITH RESPECT TO THE CURTAILMENT AGREEMENT, CONTRACT NO. 01PB-10786 (THE "CURTAILMENT AGREEMENT"). THE INFORMATION CONTAINED IN THIS DOCUMENT IS THE PROPERTY OF LONGVIEW ALUMINUM, LLC ("LONGVIEW"); IS CONFIDENTIAL AND FINANCIAL INFORMATION OF LONGVIEW, AND CONCERNS AND RELATES TO THE INCOME, PROFIT, LOSSES AND/OR EXPENDITURES OF LONGVIEW, AS SUCH TERMS ARE USED IN THE TRADE SECRETS ACT, 18 U.S.C. 1905. THE INFORMATION CONTAINED IN THIS DOCUMENT AND ALL INFORMATION DERIVED THEREFROM IS EXEMPT FROM RELEASE UNDER THE FREEDOM OF INFORMATION ACT; AND, PURSUANT TO THE TRADE SECRETS ACT, 18 U.S.C. 1905, SHALL NOT BE DISCLOSED OR MADE KNOWN BY BPA OR ANY AGENCY, OFFICER OR EMPLOYEE OF THE FEDERAL GOVERNMENT TO PERSON OUTSIDE THE FEDERAL GOVERNMENT WITHOUT LONGVIEW'S WRITTEN PERMISSION.

The legended Longview Aluminum Records and any notes, memoranda, reports or other documents that incorporate or reference information contained in the Longview Aluminum Records (collectively, the "Longview Aluminum Documents") are subject to the restrictions on use and disclosure set forth in the Confidentiality Agreement entered into between BPA and Longview Aluminum on January 29, 2002 (Contract No. 02PB-11095) and such other restrictions on use and disclosure set forth in federal law and regulations, including the Trade Secrets Act, 18 U.S.C. § 1905 (hereinafter, the "Trade Secrets Act") and the exemptions to release or disclosure under the Freedom of Information Act, 5 U.S.C. § 552 *et seq.* (hereinafter, "FOIA").

The Longview Aluminum Documents and the information contained therein concern and relate to the "income, profit, losses and/or expenditures" of Longview Aluminum (as such terms are used in the Trade Secrets Act) and, thus, constitute the "trade secrets" of Longview Aluminum (as the term "trade secrets" is used in the Trade Secrets Act).

Longview Aluminum hereby advises BPA that any act by BPA or any agency, officer or employee of the Federal Government that results in the disclosure of the Longview Aluminum Documents to any person outside the Federal Government, without Longview Aluminum's advance written permission, is likely to cause substantial harm to the competitive position of Longview Aluminum, for at least the following reasons:

1. Longview Aluminum does not customarily release to the public either the Longview Aluminum Records nor the information contained in those records;
2. Neither the Longview Aluminum Records nor the information contained in those records has been publicly disseminated or is available from other sources;
3. As previously noted, the data contained in the Longview Aluminum Records concern, relate to and reveal expenditures, assets and/or profits/losses of Longview Aluminum;
4. The data contained in the Longview Aluminum Records relate to Longview Aluminum's workforce and could enable competitors to deduce labor costs, profit margins, competitive vulnerability and predict product and process changes; and
5. The Longview Aluminum Records include information concerning Longview Aluminum as a borrower on bank loans.

Given the foregoing, the Longview Aluminum Documents and the information contained therein, plus all information derived therefrom, is exempt from release under FOIA and is subject to the Trade Secrets Act prohibitions on release.

Accordingly, none of the Longview Aluminum Documents, nor any information contained in or derived from the Longview Aluminum Documents, shall be disclosed or made known by BPA or any agency, officer or employee of the Federal Government to any person outside the Federal Government without Longview Aluminum's advance written permission.

Longview Aluminum hereby requests that BPA notify Longview Aluminum, in writing, should any person outside the Federal Government request access to the Longview Aluminum Documents or any information contained in or derived from those records. Longview Aluminum also hereby asks that BPA give Longview Aluminum such notice in sufficient time prior to any such disclosure so as to allow Longview Aluminum to pursue appropriate remedies to preserve the confidentiality of the information.

June 19, 2002

Mr. Mark E. Miller
Customer Account Executive
Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

Re: Longview Aluminum LLC Confidential Records

Dear Mr. Miller:

Longview Aluminum, LLC ("Longview Aluminum"), pursuant to Section 10(f) of the Curtailment Agreement between Bonneville Power Administration ("BPA") and Longview Aluminum (Contract No. 01PB-10786) (the "Curtailment Agreement"), is hereby voluntarily making available to BPA certain additional Longview Aluminum records (the "Longview Aluminum Records") in partial response to the letter dated February 22, 2002, from Mark E. Miller of BPA to John L. Kolleng of Longview. The legended Longview Aluminum Records are subject to the legends and restrictions as release set forth in Attachment A of this letter.

If BPA should require further Longview Aluminum records, please contact me:

Sincerely,



Michael Lynch
Chairman
for Longview Aluminum, LLC

Enclosures

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6-19-0

Attachment A

Please note that certain Longview Aluminum Records have been legended as follows:

THE INFORMATION CONTAINED IN THIS DOCUMENT IS BEING PROVIDED VOLUNTARILY TO BONNEVILLE POWER AUTHORITY (BPA), AN AGENCY OF THE FEDERAL GOVERNMENT. THE INFORMATION CONTAINED IN THIS DOCUMENT SHALL BE USED BY BPA ONLY FOR THE PERFORMANCE OF ITS OFFICIAL DUTIES WITH RESPECT TO THE CURTAILMENT AGREEMENT, CONTRACT NO. 01PB-10786 (THE "CURTAILMENT AGREEMENT"). THE INFORMATION CONTAINED IN THIS DOCUMENT IS THE PROPERTY OF LONGVIEW ALUMINUM, LLC ("LONGVIEW"); IS CONFIDENTIAL AND FINANCIAL INFORMATION OF LONGVIEW, AND CONCERNS AND RELATES TO THE INCOME, PROFIT, LOSSES AND/OR EXPENDITURES OF LONGVIEW, AS SUCH TERMS ARE USED IN THE TRADE SECRETS ACT, 18 U.S.C. 1905. THE INFORMATION CONTAINED IN THIS DOCUMENT AND ALL INFORMATION DERIVED THEREFROM IS EXEMPT FROM RELEASE UNDER THE FREEDOM OF INFORMATION ACT; AND, PURSUANT TO THE TRADE SECRETS ACT, 18 U.S.C. 1905, SHALL NOT BE DISCLOSED OR MADE KNOWN BY BPA OR ANY AGENCY, OFFICER OR EMPLOYEE OF THE FEDERAL GOVERNMENT TO PERSON OUTSIDE THE FEDERAL GOVERNMENT WITHOUT LONGVIEW'S WRITTEN PERMISSION.

The legended Longview Aluminum Records and any notes, memoranda, reports or other documents that incorporate or reference information contained in the Longview Aluminum Records (collectively, the "Longview Aluminum Documents") are subject to the restrictions on use and disclosure set forth in the Confidentiality Agreement entered into between BPA and Longview Aluminum on January 29, 2002 and such other restrictions on use and disclosure set forth in federal law and regulations, including the Trade Secrets Act, 18 U.S.C. § 1905 (hereinafter, the "Trade Secrets Act") and the exemptions to release or disclosure under the Freedom of Information Act, 5 U.S.C. § 552 *et seq.* (hereinafter, "FOIA").

The Longview Aluminum Documents and the information contained therein concern and relate to the "income, profit, losses and/or expenditures" of Longview Aluminum (as such terms are used in the Trade Secrets Act) and, thus, constitute the "trade secrets" of Longview Aluminum (as the term "trade secrets" is used in the Trade Secrets Act).

Longview Aluminum hereby advises BPA that any act by BPA or any agency, officer or employee of the Federal Government that results in the disclosure of the Longview Aluminum Documents to any person outside the Federal Government, without Longview Aluminum's advance written permission, is likely to cause substantial harm to the competitive position of Longview Aluminum, for at least the following reasons:

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1. Longview Aluminum does not customarily release to the public either the Longview Aluminum Records nor the information contained in those records;
2. Neither the Longview Aluminum Records nor the information contained in those records has been publicly disseminated or is available from other sources;
3. As previously noted, the data contained in the Longview Aluminum Records concern, relate to and reveal expenditures, assets and/or profits/losses of Longview Aluminum;
4. The data contained in the Longview Aluminum Records relate to Longview Aluminum's workforce and could enable competitors to deduce labor costs, profit margins, competitive vulnerability and predict product and process changes; and
5. The Longview Aluminum Records include information concerning Longview Aluminum as a borrower on bank loans.

Given the foregoing, the Longview Aluminum Documents and the information contained therein, plus all information derived therefrom, is exempt from release under FOIA and is subject to the Trade Secrets Act prohibitions on release.

Accordingly, none of the Longview Aluminum Documents, nor any information contained in or derived from the Longview Aluminum Documents, shall be disclosed or made known by BPA or any agency, officer or employee of the Federal Government to any person outside the Federal Government without Longview Aluminum's advance written permission.

Longview Aluminum hereby requests that BPA notify Longview Aluminum, in writing, should any person outside the Federal Government request access to the Longview Aluminum Documents or any information contained in or derived from those records. Longview Aluminum also hereby asks that BPA give Longview Aluminum such notice in sufficient time prior to any such disclosure so as to allow Longview Aluminum to pursue appropriate remedies to preserve the confidentiality of the information.

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9/9/02

On February 26, 2001 the Bonneville Power Administration (BPA) entered into an agreement with Longview Aluminum, LLC (Longview), for the curtailment of power purchases from BPA, beginning March 1 2001 through June 30, 2002, in exchange for \$226,000,000 to be paid by BPA over several months. That agreement stipulated that the proceeds received from BPA must be used by Longview for qualified purposes as defined in Section 10 of the contract. To ensure that Longview's use of monies paid by BPA were used by the company for qualified purposes, the BPA Account Executive (AE) (Mr. Mark Miller) requested the assistance of BPA Internal Audit in reviewing Longview's expenditure documentation.

In response to Mr. Miller's request, we reviewed and selectively tested expenditure schedules, invoices, other documentation, and bank statements (provided by Longview) to verify that the records were mathematically correct and internally consistent. Where an explanation regarding the purpose and nature of some expenditures was required, we submitted written questions to Longview, and reviewed their written responses. A summary of BPA payments and Longview's expenditures is attached. The corresponding notes on the expenditure schedules and attachments explain the review procedures (on selected expenditures) that we performed along with our findings.

While we found no evidence indicating that the original expenditure records and documentation had been tampered with, our records and documentation review was restricted to examining photocopies of the assumed original documents and records. Further, we could not make direct inquiries with Longview's officers regarding expenditures. These restrictions aside, the records and documentation provided by Longview appear to show that Longview has incurred \$58,310,974.02 in expenditures. It is our understanding that BPA AE (Mr. Mark Miller) has concluded that these expenditures qualify under Section 10 of the contract.

AUDIT -FRED'S FILE

LONGVIEW ALUMINUM COMPANY (LAC)

(Analysis of BPA Payments and LAC Qualified Expenditures on Curtailment Agreement, Contract No. 01PB-10786)

SUMMARY OF PAYMENTS & RELATED EXPENDITURES

BPA Payment Date(s)	Paid to Union Accounts Acct. # 77090793, #3752157994 (Exh. B, Table 2)	Paid to Longview Aluminum Company Acct. #3751628482 (Exh. B, Table 4)	Paid to USWA & Longview Aluminum Company	Paid to ABLECO Finance LLC, Funding Agent, A/C #77090793 (Exh. B, Table 3)	Curtailment Payments Paid on Contract Number 01PB-10786 (Exh. B, Table 1)
March 20, 2001	\$3,800,000.00	\$4,097,500.00	\$7,897,500.00	\$9,102,500.00	\$17,000,000.00
April 20, 2001	\$1,750,000.00	\$1,447,500.00	\$3,197,500.00	\$16,254,880.00	\$19,452,380.00
May 21, 2001	\$1,750,000.00	\$1,447,500.00	\$3,197,500.00	\$18,671,547.00	\$21,869,047.00
June 20, 2001	\$1,666,667.00	\$2,530,833.00	\$4,197,500.00	\$17,671,547.00	\$21,869,047.00
July 20, 2001	\$1,750,000.00	\$1,447,500.00	\$3,197,500.00	\$18,671,547.00	\$21,869,047.00
August 20, 2001	\$1,750,000.00	\$1,447,500.00	\$3,197,500.00	\$18,671,547.00	\$21,869,047.00
September 20, 2001	\$1,666,667.00	\$2,530,833.00	\$4,197,500.00	\$17,671,547.00	\$21,869,047.00
October 22, 2001	\$3,100,000.00	\$1,447,500.00	\$4,547,500.00	\$17,321,547.00	\$21,869,047.00
November 20, 2001	\$3,100,000.00 ^a	\$1,447,500.00	\$4,547,500.00	\$10,035,833.00	\$14,583,333.00
December 20, 2001	\$3,016,666.00	\$2,530,834.00	\$5,547,500.00	\$9,035,833.00	\$14,583,333.00
January 21, 2002	\$3,200,000.00	\$1,447,500.00	\$4,647,500.00	\$9,935,833.00	\$14,583,333.00
February 20, 2002	\$3,200,000.00 ^b	\$7,321,947.00 ^c	\$10,521,947.00	\$4,061,392.00	\$14,583,339.00
Total Payments	\$29,750,000.00	\$29,144,447.00	\$58,894,447.00	\$167,105,553.00 (Not Reviewed)	\$226,000,000.00

REVIEWED EXPENDITURES

Salaries, Wages & Employee Benefits 1st Union Acct. (3/22 - 12/18/01)	\$13,756,926.22	\$13,756,926.22
Salaries, Wages & Employee Benefits 2nd Union Acct. (12/20/01 - 2/6/02)	\$2,737,415.82	\$2,737,415.82
Salaries, Wages & Employee Benefits 2nd Union Acct. (2/7/02 - 6/28/02)	\$4,954,359.70	\$4,954,359.70
Salaries, Wages & Employee Benefits Co. Acct. (2/16/01 - 2/6/02)	\$12,101,306.39	\$12,101,306.39
Salaries, Wages & Employee Benefits Co. Acct. (2/7/02 - 6/28/02)	\$2,479,854.97	\$2,479,854.97
Operating Expenses (2/16/01 through 2/6/02)	\$3,883,435.84	\$3,883,435.84
Operating Expenses (2/6/02 through 6/28/02)	\$2,027,957.45	\$2,027,957.45
Power & Transmission Purchases (2/16/01 through 2/6/02)	\$1,926,730.00	\$1,926,730.00
Power & Transmission Purchases (2/6/02 through 6/28/02)	\$1,458,950.00	\$1,458,950.00
Expenditures for Fixed Assets & Capital Upgrades (2/16/01 through 2/6/02)	\$730,376.36	\$730,376.36
Funding, Collateral, Administrative Service Fees & Loan Repayments (2/16/01 through 2/6/02)	\$625,000.00	\$625,000.00
Funding, Collateral, Administrative Service Fees & Loan Repayments (2/7/01 through 2/28/02)	\$222,244.11	\$222,244.11
Professional Fees (2/16/01 through 2/6/02)	\$2,780,294.69	\$2,780,294.69
Professional Fees (2/7/02 through 2/28/02)	\$1,552,643.68	\$1,552,643.68
Acquisition, Short-term & Uncategorized Costs 2/16/01 through 2/6/02	\$6,147,541.70	\$6,147,541.70
Acquisition, Short-term & Uncategorized Costs 2/7/02 through 6/28/02	\$1,592,680.83	\$1,592,680.83
Company Expenditures (2/16/01 through 2/6/02)	\$21,448,701.74	\$37,529,016.02

Total Company Expenditures, Plus BPA Payments Paid Directly to
USWA & February 20, 2002

\$21,448,701.74

\$37,529,016.02

\$58,977,717.76

Curtailment Payments through February 20, 2002, in
in Excess of (Greater than) Analyzed Company Expenditures

\$8,301,298.26

(\$8,384,569.02)

(\$83,270.76)

LONGVIEW ALUMINUM COMPANY (LAC)
(Analysis of BPA Payments and LAC Qualified Expenditures on Curtailment Agreement, Contract No. 01PB-10786)

Salaries Wages & Employee Benefits Expenditure Description:	1st. Union Acct. #77090793 (3/22/01 - 12/18/01)		1st. Union Acct. #77090793 (12/19/02 - 6/26/02)		2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)		2nd. Union Acct. #3752157994 (12/7/02- 6/26/02)		Company Account #3751628482 (2/16/01 2/6/02)		Company Account #3751628482 (2/7/021 - 6/26/02)		Total Company Expenditures	
Payroll & Taxes	\$7,273,913.18	F			\$2,136,761.01	F	\$2,958,317.07	F	\$702,931.99	[4] / F	(\$49,100.65)	F	\$13,022,822.60	
Retiree Payout	\$1,500,000.00	F					\$0.00		\$1,255,198.73	[5] / F	\$0.00		\$2,755,198.73	
Hourly Workmans Compensation	\$52,280.52	F					\$52,566.29	F	\$67,629.57	F	\$56,714.72		\$229,191.10	
Hourly 401K	\$1,074,374.02	F			\$220,403.71	F	\$393,185.43	F	\$10.85		(\$14,241.77)		\$1,673,732.24	
Hourly Pension	\$280,825.00	F					\$0.00		\$280,825.00		\$121,804.75		\$683,454.75	
Hourly Union Dues	\$110,781.70	F			\$8,445.08	F	\$65,508.02	F	\$29,320.29		(\$23,925.96)		\$190,129.13	
Hourly Credit Union	\$163,357.82	F					(\$57.91)	F	\$127,326.48		\$57.91		\$290,684.30	
Hourly Other Payroll Deductions	\$30,476.95	F			\$3,862.15	F	\$11,556.67	F	\$4,360.17		(\$11,375.40)		\$38,880.54	
Hourly Tuition	\$3,788.00	F			\$797.70	F	\$4,069.84	F	\$1,908.04		(\$1,547.14)		\$9,016.44	
Hourly Medical	\$2,913,063.14	F			\$323,725.65	F	\$1,287,850.40	F	\$332,771.46		\$280,925.37	F	\$5,138,336.02	
Hourly Dental	\$265,838.97	F			\$24,693.77	F	\$162,668.64	F	\$25,249.93		\$34,622.40		\$513,073.71	
Hourly Life Insurance	\$87,349.50	F			\$18,726.75	F	\$18,695.25	F			\$28,620.21		\$153,391.71	
Other	\$877.42	F					\$0.00				\$0.00		\$877.42	
Hourly VEBA							\$0.00		\$590,190.00		\$159,613.30		\$749,803.30	
Salaried: Payroll & Taxes									\$7,006,971.73	[6] / F	\$1,478,739.24	F	\$8,485,710.97	
Salaried Workmans Compensation									\$74,567.39		\$0.00		\$74,567.39	
Salaried: 401K									\$496,270.21		\$121,954.43		\$618,224.64	
Salaried Credit Union									\$126,432.60		\$0.00		\$126,432.60	
Salaried: Other Pd Deductions									\$7,945.76		\$1,216.46		\$9,162.22	
Salaried Tuition									\$3,078.62		\$465.93		\$3,544.55	
Salaried Medical									\$727,112.47		\$208,863.54	F	\$935,976.01	
Salaried Dental									\$127,007.95		\$49,863.38		\$176,871.33	
Salaried Life Insurance									\$114,197.15		\$36,584.25		\$150,781.40	
	\$13,756,926.22	[3]	\$0.00		\$2,737,415.82	[2]	\$4,954,359.70		\$12,101,306.39	[1]	\$2,479,854.97		\$36,029,863.10	15.94%
\$4,954,359.70														

REVIEW NOTES & FINDINGS

F - Footed Longview Aluminum worksheet. Noted detail expenditures/transfers agreed to footed totals.

[1] - Agreed to Longview Aluminum disbursement summary & BPA Payment Reconciliation worksheets.

[2] - Agreed to Longview Aluminum Second Union Account payment schedule.

[3] - Agreed to Longview Aluminum First Union Account payment schedule net of unclassified bank transfers. (\$16,199,126.22 - \$2,442,200.00) = \$13,756,926.22.

[4] - Verified internal consistency of document data for payroll periods 3/8/01 (Week 10), 3/15/01 (Week 11), 3/29/01 (Week 13), 8/2/01 (Week 31).

Vouched monthly summary detail totals to the period summary 3/2/01 through 2/7/02.

Footed the period summary totals for gross pay, net checks paid, total tax liability, ACH direct deposits, garnishment liability, total liability, adjusted payroll liability, SUTA quarterly taxes, and total hourly payroll and taxes. Noted total hourly payroll and taxes per the period summary agreed to the disbursement summary total for hourly payroll & taxes. (\$10,113,606.18). No significant exceptions noted.

[5] - Reviewed April 5, 2001 retiree payout lead sheet. Noted Gross Retiree Payout equaled \$2,550,000.00, Net checks equaled \$1,607,396.85, and Total Liability agreed to disbursement summary total. (\$2,755,198.73).

[6] - Verified internal consistency of document data for pay periods 3/15/01 (Week 11), and 3/31/01 (Week 13). Vouched monthly summary detail totals to the period summary March 2001 through January 2002.

Footed the period summary totals for gross pay, net checks, total tax liability, ACH direct deposits, garnishment liability, total liability, adjusted payroll liability and salaried payroll and taxes.

Noted total salaried payroll and taxes per the period summary agreed to the disbursement summary total for salaried payroll and taxes. No significant exceptions noted.

LONGVIEW ALUMINUM COMPANY (LAC)
 (Analysis of BPA Payments and LAC Qualified Expenditures on Curtailment Agreement, Contract No. 01PB-10786)

Operating Expenses, Expenditure Description:	1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	1st. Union Acct. #77090793 (12/19/02 - 6/26/02)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	2nd. Union Acct. #3752157994 (12/7/02 - 6/26/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Company Account #3751628482 (2/7/021 - 6/26/02)	Total Company Expenditures
Waste Water Plant					\$42,102.89	\$9,530.26	\$51,633.15
Disposal Fees					\$164,716.94	\$25,068.59	\$189,785.53
Employee Ben/Activity					\$27,126.10	\$14,773.19	\$41,899.29
Enviornmental					\$66,449.03	\$153.00	\$66,602.03
Freight					\$55,839.34	\$18,229.81	\$74,069.15
Ground Keepers					\$11,630.89	\$0.00	\$11,630.89
Guard					\$26,995.62	\$29,330.24	\$56,325.86
Insurance: Property					\$650,000.00		
Insurance: Boiler & Machinery					\$196,050.00		
Insurance: Other					\$396,762.00	[15] / F \$621,247.58 F	\$1,864,059.58
Manufacturing Supplies					\$979,005.02	[7] \$72,931.36	\$1,051,936.38
Repairs & Maintenance					\$328,142.90	[8] \$318,352.74	\$646,495.64
R&M Supplies					\$170,346.97	\$191,418.78	\$361,765.75
Sampling & Testing					\$48,521.89	\$30,926.49	\$79,448.38
Training					\$9,998.26	\$1,011.20	\$11,009.46
Business Licenses					\$7,214.23	\$116,184.61	\$123,398.84
Data Processing					\$40,440.79	\$71,497.95	\$111,938.74
Travel					\$143,004.28	\$14,297.37	\$157,301.65
M&E					\$6,597.17	\$0.00	\$6,597.17
Meetings & Seminars					\$2,125.15	\$1,280.61	\$3,405.76
Natural Gas					\$278,764.47	\$179,961.47	\$458,725.94
Office Expense					\$15,796.45	\$4,621.01	\$20,417.46
Payroll Services					\$56,062.32	\$20,433.18	\$76,495.50
Postage					\$8,057.87	\$5,534.18	\$13,592.05
Outside Services					\$58,401.22	\$47,372.81	\$105,774.03
Rental & Miscellaneous Equipment					\$24,650.45	\$86,996.41	\$111,646.86
Taxes & Use					\$18,729.18	\$23,107.06	\$41,836.24
Taxes Other					\$14,302.32	\$108,381.13	\$122,683.45
Telephone					\$27,982.24	\$10,881.91	\$38,864.15
Bank Charges					\$7,619.85	\$4,434.51	\$12,054.36
	\$0.00	\$0.00	\$0.00	\$0.00	\$3,883,435.84	[1] \$2,027,957.45 [1]	\$5,911,393.29 2.62%

REVIEW NOTES & FINDINGS

F - Footed Longview Aluminum worksheet. Noted detail expenditures/transfers agreed to footed totals.

[1] - Agreed to Longview Aluminum disbursement summary & BPA Payment Reconciliation worksheets.

[7] - Reviewed Reliable Steel invoice (Inv. #3288/12/31/01) and check copy (chk #5617/1/24/02) for \$41,565.96. Reviewed Helser Industries invoice (Inv. #17490/12/20/01) and check copy (chk #2492/1/10/02) for \$33,750.00. Noted invoice, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[8] - Reviewed Protective Coating Consultants invoice (Inv. #16776/11/14/01) and check copy (chk#2218/12/05/01) for \$3,843.00. Noted invoice, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[15] - Reviewed nine invoices dated 3/19/01 for [4666 (\$25,003.00), 4667 (\$162,500.00), 4668 (\$23,642.00), 4669 (\$14,375.00), 4670 (\$2,735.00), 4671 (\$787.50), 4672 (\$4,024.33), 4673 (\$695.00), 4674 (\$49,067.00), 4676 (\$3,500.00)] that totaled \$286,328.83 that were paid to Eugene Tkaltich & Associated, Ltd. pertaining to various insurance premiums and policies.

Reviewed nine premium/installment invoices for \$89,188.04 paid to Imperial A.I. Credit Companies (premium periods 3/27/01, 4/27/01, 5/27/01, 6/27/01, 7/27/01, 8/27/01, 9/27/01, 10/27/01, 11/27/01) that totaled \$802,692.36.

Reviewed fifteen invoices paid to Eugene Tkaltich & Associates, Ltd.

(Inv# 7676-3/19/01 (\$8,333.00), Inv.# 4681-4/1/01 (\$8,333.00), Inv.# 4688-3/30/01 (Credit \$118.00), Inv.# 4720-5/27/01 (\$8,333.00), Inv.# 4749-6/27/01 (\$8,333.00), Inv.# 4750-6/27/01 (\$3,500.00), Inv.# 4769-6/8/01 (\$1,355.50), Inv.# 4781-6/30/01 (\$8,333.00),

Inv.# 4819-7/18/01 (\$300.00), Inv.# 4833-7/31/01 (\$8,333.00), Inv.# 4862-8/27/01 (\$8,333.00), Inv.# 4863-8/27/01 (\$3,772.25), Inv.# 4903-10/27/01 (\$8,333.00), Inv.# 4981-10/29/01 (\$8,333.00), Inv.# 5008-11/27/01 (\$3,772.25).

Reviewed clarification documentation provided by Longview stating that the 66,211.83 payments to Imperial Finance was for directors and officers liability insurance paid by Imperial.

Additional Insurance Review: Noted insurance policies were available for review from the following insurers:

(a) CHUBB (Policy No. 3576-75-43 CHI Liability Insurance); (b) CHUBB (Policy Number 8185-03-81 Executive Protection Policy); CHUBB (Policy Number 7640-15-00 Boiler & Machinery); (c) CHUBB (Policy Number 8185-04-55 Liability Insurance); (d) CHUBB (Policy Number 8185-04-55 Liability Insurance); (e) Industrial Risk Insurers (Policy Number 31-3-68627); (f) Indian Harbor Insurance Company (Policy Number PEC0008721 Liability Insurance); (g) Fireman's Fund Insurance Companies (Policy Number XYZ-000-8448-5556).

The analysis and review notes explain the review procedures performed and findings. The attached schedules summarize the detail expenditures pertaining to cost categories that were selected for review.

LONGVIEW ALUMINUM COMPANY (LAC)
(Analysis of BPA Payments and LAC Qualified Expenditures on Curtailment Agreement, Contract No. 01PB-10786)

Other Company Expenditures, Expenditure Description:	1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	1st. Union Acct. #77090793 (12/19/01 - 16/26/02)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	2nd. Union Acct. #3752157994 (6/6/02 - 2/26/02)	Company Account #3751628482 (2/16/01 - 2/6/02)		Company Account #3751628482 (2/7/021 - 6/26/02)		Total Company Expenditures	
Power					\$1,416,544.00	F	\$743,923.00	F	\$2,160,467.00	
Power Transmission					\$510,186.00	F	\$715,027.00	F	\$1,225,213.00	
	\$0.00	\$0.00	\$0.00	\$0.00	\$1,926,730.00	[1]	\$1,458,950.00		\$3,385,680.00	1.50%
Fixed Assets					\$217,474.09	F / [9]	\$0.00		\$217,474.09	
Capital Upgrades					\$512,902.27	[10] / [11]	\$0.00		\$512,902.27	
	\$0.00	\$0.00	\$0.00	\$0.00	\$730,376.36	[1]	\$0.00		\$730,376.36	0.32%
Loan: Ableco Fees					\$500,000.00	F / [11]	\$222,244.11	F	\$722,244.11	
Loan: Great Lake Processing					\$125,000.00	F / [11]			\$125,000.00	
	\$0.00	\$0.00	\$0.00	\$0.00	\$625,000.00	[1]	\$222,244.11		\$847,244.11	0.37%
Professional Fees: Legal					\$1,457,944.44					
Professional Fees: Accounting					\$721,700.00					
Professional Fees: Environmental					\$298,625.35					
Professional Fees: Other					\$302,024.90		\$1,552,643.68		\$4,332,938.37	
	\$0.00	\$0.00	\$0.00	\$0.00	\$2,780,294.69	[1]	\$1,552,643.68		\$4,332,938.37	1.92%
Acquisition Investments - To McCook					\$3,280,552.97	F / [12]	\$0.00		\$3,280,552.97	
Acquisition Investments - Other					\$2,505,304.76	F / [13][14]	\$671,050.21	F	\$3,176,354.97	
Short Term Investments							\$600,000.00	[16]	\$600,000.00	
UnCategorized Costs					\$361,683.97		\$321,630.62		\$683,314.59	
	\$0.00	\$0.00	\$0.00	\$0.00	\$6,147,541.70		\$1,592,680.83		\$7,740,222.53	3.42%
Company Expenditures through February 6, 2002	\$13,756,926.22	\$0.00	\$2,737,415.82	\$4,954,359.70	\$28,194,684.98	[1]	\$9,334,331.04	[1]	\$58,977,717.76	26.10%

REVIEW NOTES & FINDINGS:

F - Footed Longview Aluminum worksheet. Noted detail expenditures/transfers agreed to footed totals.

[1] - Agreed to Longview Aluminum disbursement summary & BPA Payment Reconciliation worksheets.

[9] - Reviewed PHH Vehicle Management Services vehicle sales documents (for three vehicles) & related correspondence, check copy (chk#1434). Noted sales invoices total, check copy and disbursement summary dollar amounts agreed.

The purchase price for each vehicle showed \$5,650.20, \$7,533.20, \$422.2 = \$15,605.60. No exceptions noted. Reviewed CSB Systems invoice (inv.#8428/1/29/02), quote sheets/ordering document (12/10/01), check copy (chk#2276/12/14/01). Noted quote sheet total, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[10] - Reviewed J.H. Kelly Building Trust Invoice (inv# KW10247/3/23/01), check copy (chk#1239/5/29/01), and supporting invoice documentation. Noted invoice, check copy and disbursement summary dollar amounts agreed. No exceptions noted.

[11] - Reviewed borrowing agreement dated February 26, 2001 between Longview Aluminum, LLC and ABLECO Finance LLC. Noted original loan was \$155,000,000.00. Reviewed Agent Fee Letter dated 2/26/01 making reference to \$100,000 Administrative Agent fee payable on In subsequent documentation reviewed, Longview explains that the \$125,000 paid by Longview to Great Lakes Processing was reimbursement for funds Great Lake had advanced Ableco in Longviews Behalf.

The \$500,000 paid by Longview to Ableco was for funding agent, collateral agent, administrative agent services provided by Ableco.

[12] - Reviewed documentation provided by Longview Aluminum. Reviewed a July 31, 2002 clarification letter from Longview Aluminum to Mark Miller, explaining that the payments totaling \$3,280,552.97 were payments on an original \$7,826,959 term note, that was established to memorialize an obligation of Longview's to pay McCook for advancing funds to third parties relating to Longviews acquisition of the Longview aluminum plant.

[13] - Reviewed Life Insurance Premium Payments paid to Security Connecticut (\$ 372,008.00) as follows: (a) \$156,085.00 for annual premium on Lynch (Policy Number SC23404256 / Check No. 25438 / Chk Date 12/29/00);

(b) \$55,250.00 for annual premium James McCa (Policy Number SC2340409G / Check No. 25453 / Chk Date 12/29/00); (c) \$75,960.00 for annual premium M. Ochalski (Policy Number SC2340417G / Check No. 25451 / Chk Date 12/29/00);

(d) \$84713.00 for annual premium J. Koll (Policy Number SC2340415M2001 / Check No. 26262 / Chk Date 2/14/01).

The \$1,250,000 paid by Longview to Samuel, Son & Co. LTD was paid in substitution (right to set off) of amounts Longview owed McCook. This arrangement was based on a May 26, 1999 letter agreement between Samuel & Son and McCook giving Samuel & Son the right to set off amounts it might owe McCook. See July 31, 2002 Longview Aluminum letter to Mark Miller.

[14] - Unreconciled amounts were provided as follows: Other Acquisition Costs \$40,000.00 4/18/01 Check No. 1072. Capital Projects \$30,350.46 4/18/01 Check No. 1051. See Analysis of Costs.

[16] - Wire Transfer on 6/6/02 to Patriot Capital for \$600,000.00.

The analysis and review notes explain the review procedures performed and findings. The attached schedules summarize the detail expenditures pertaining to cost categories that were selected for review.

Lehr, Fred I - DN-7

From: Miller, Mark - PT-5
Sent: Tuesday, September 03, 2002 3:45 PM
To: Custer, Cindy J - KR/WSGL; Oliver, Stephen - PT-5; Hunt, Karen - KR-7; Ball, Crystal A - KN-DC; Cohen, Ashley - KN-DC
Cc: Hage, Bonnie - KR-7; Lehr, Fred I - DN-7
Subject: RE: Status of McCook

We haven't recieved the final set of information as of yet. I recall it was promised no later than next Monday.

-----Original Message-----

From: Custer, Cindy J - KR/WSGL
Sent: Tuesday, September 03, 2002 10:01 AM
To: Miller, Mark - PT-5; Oliver, Stephen - PT-5; Hunt, Karen - KR-7; Ball, Crystal A - KN-DC; Cohen, Ashley - KN-DC
Cc: Hage, Bonnie - KR-7; Lehr, Fred I - DN-7
Subject: RE: Status of McCook

Hi Mark,

When you find out about whether or not we received the information and when the audit will be done, let me know. Even if we can't share a lot of the specifics I think we still need to meet with these folks and I suspect that the D.C. staff will want to know as well.

Cindy

-----Original Message-----

From: Miller, Mark - PT-5
Sent: Tuesday, September 03, 2002 9:58 AM
To: Oliver, Stephen - PT-5; Custer, Cindy J - KR/WSGL; Hunt, Karen - KR-7; Ball, Crystal A - KN-DC; Cohen, Ashley - KN-DC
Cc: Hage, Bonnie - KR-7; Lehr, Fred I - DN-7
Subject: RE: Status of McCook

Cindy, as of two weeks ago, we still needed one more set of information from Longview Alum before we could complete the audit. I haven't talked to the audit folks yet to determine if we recieved that information, but I should find out today.

What we have learned so far from the audit is that it looks as though Longview has followed the contract terms.

It will be difficult to share anything specific on Longview's finances with folks because of the confidentiality provision in its power sales agreement.

-----Original Message-----

From: Oliver, Stephen - PT-5
Sent: Friday, August 30, 2002 8:51 AM
To: Custer, Cindy J - KR/WSGL; Miller, Mark - PT-5; Hunt, Karen - KR-7; Ball, Crystal A - KN-DC; Cohen, Ashley - KN-DC
Cc: Hage, Bonnie - KR-7
Subject: RE: Status of McCook

Mark Miller is the appropriate person he will be back in the office 9/3/02

-----Original Message-----

From: Custer, Cindy J - KR/WSGL
Sent: Thursday, August 29, 2002 5:14 PM
To: Oliver, Stephen - PT-5; Miller, Mark - PT-5; Hunt, Karen - KR-7; Ball, Crystal A - KN-DC; Cohen, Ashley - KN-DC
Cc: Hage, Bonnie - KR-7
Subject: Status of McCook

I met with district staff from Baird's, Cantwell's and Murray's Vancouver offices yesterday and they are interested in meeting with someone more knowledgeable than I about the status of the audit with McCook and an update of where we are with them. I said that I would get back to them and try to get something set up.

So, let me know what you think about having a meeting. I can set it up for you and would try to attend as well if I can.

Cindy

F. Lehr

LONGVIEW ALUMINUM

111 West Washington Street
Suite 1655
Chicago, Illinois 60602

July 31, 2002

Mr. Mark E. Miller
Account Executive
U.S. Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

Confidential Communication

Dear Mr. Miller:

I am writing on behalf of Longview Aluminum, L.L.C. in response to second and third requests of the letter dated July 12, 2002, from you on behalf of the Bonneville Power Administration ("BPA") to me. Requests two and three ask that Longview provide BPA with a written explanation of the purpose and nature of certain payments totaling \$3,280,552.97 which Longview made to McCook (the "McCook Payments") and certain payments totaling \$1,250,000 which Longview made to Samuel & Son (the "Samuel & Sam Payments") and related documentation.

McCook Payments

Longview, as maker, signed a Term Note payable to McCook, as payee, dated February 27, 2001, in the original principal amount of \$7,826.959 (the "Term Note"). The Term Note was intended to memorialize an obligation of Longview to pay McCook for certain payments which McCook had advanced to third parties on behalf of Longview relating to the acquisition by Longview of the aluminum plant in Longview, Washington, and acquisition, financing and/or other fees, costs and expenses in connection with such acquisition. Longview takes the position that the McCook Payments constitute pay down of amounts that Longview owed McCook under the Term Note (or any account receivable obligation which Longview owed to McCook which was substituted for the Term Note).

Samuel & Son Payments

Samuel, Son & Co., Limited and affiliated entities ("Samuel & Son") has been a customer of McCook and thus owed McCook payments for aluminum products which Samuel &

C. V.

Mark Miller
July 31, 2002
Page 2

Son purchased from McCook. Under a letter agreement between McCook and Samuel, Son Chicago Ltd. dated May 26, 1999 (the "Letter Agreement"), Samuel had the right to set off certain amounts identified in the Letter Agreement against the payments which Samuel & Son owed McCook for the purchase of aluminum products. In 2001, Samuel & Son asserted that it had the right under the Letter Agreement to setoff approximately \$2,500,000 against obligations which Samuel & Son owed McCook for aluminum products.

Longview made payments to Samuel & Sons which totaled \$1,250,000 as of February 6, 2002 and which total approximately \$2,300,000 as of the date of this letter, and has applied those payments as a credit against the amounts that Longview owed McCook under the Term Note (or any account receivable obligation which Longview owed to McCook which was substituted for the Term Note). The payments which Longview made to Samuel & Son reduced the amount which Samuel & Son was entitled to setoff against McCook under the Letter Agreement, thereby providing a financial benefit to McCook. Longview understands that, as of the date hereof, McCook has collected from Samuel & Son all amounts which Samuel & Son owes McCook.

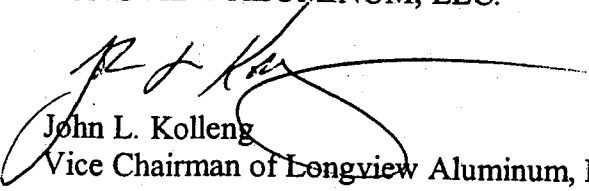
Additional Matter

Copies of the Term Note and the Letter Agreement are attached. The Term Note, the Letter Agreements, the payments which Longview has made to McCook, the payments which Longview has made on behalf of McCook, and the transactions related thereto are the subject of adversary proceedings pending in the McCook bankruptcy estate. The adversary proceedings are in a preliminary stage. Disputes currently exist between Longview and the McCook bankruptcy trustee as to the facts and the legal implications thereof. Of course, Longview will advise BPA of developments in the bankruptcy litigation, if any, that bear on the BPA audit inquiries related to the matters addressed in this letter.

This letter and the enclosed documents constitute confidential information and documents subject to the Confidentiality Agreement dated January 29, 2002, between Longview and BPA (Contract No. 02BB-11095).

Very truly yours,

LONGVIEW ALUMINUM, LLC.


John L. Kolleng
Vice Chairman of Longview Aluminum, LLC.

Document review summary performed by Mr. Frederick I. Lehr Auditor BPA on August 15, 2002 at 1:45 PM.

In response to BPA's request for a clarification regarding six payments that total \$66,211.83 to Imperial A.I. Finance between 9/7/01 and 1/15/02, Longview Aluminum's Insurance agent, Eugene Tkatch & Associates, Ltd. provided the following summarized explanation for the payments.

Imperial Finance business involves financing payments of insurance premiums by entering into financing agreements with insureds. McCook entered into an agreement with Imperial on June 16, 2001 for this purpose. One of the policies Imperial paid lump sum payments on included Policy Number 8185-04-55 issued by Chubb for directors and officers liability and related liabilities under which Longview, McCook and other entities are the insureds (the D&O Policy). After payment on the policy, Imperial invoiced McCook for the periodic payment due for financing the insurance premiums. Because Longview is named insured under the D&O Policy, McCook's principal secured lender, GECC and Longview agreed that Longview would pay Imperial directly, thus Longview paid Imperial Finance a total of \$66,211.83

In response to BPA's request for clarification regarding the following seven payments to Ableco Finance and Great Lake Processing, Longview Aluminum provided the following summarized explanation for the following seven payments.

Payment No.	Vendor Name	Check No.	Date	Amount
1	Ableco Finance	1333	6/21/01	\$100,000.
2	Ableco Finance	1746	9/25/01	\$100,000.
3	Great Lakes Processing	Wire	10/17/01	\$75,000
4	Ableco Finance Aquatic Lease	Wire	11/15/01	\$100,000
5	Great Lakes Processing	2352	12/21/01	\$50,000
6	Ableco Financing	2379	12/21/01	\$100,000
7	Ableco Financing, Aquatic Land Lease	Wire	1/07/02	\$100,000

Ableco was/is the administrative agent, collateral agent and funding agent involving a loan which Longview Aluminum borrowed \$155,000,000. The seven payments identified above represent payments of, or reimbursements for payments of, fees, to Ableco associated with the loan.

Payments 1, 2, and 6 were made by Longview to Ableco (acting in its capacities as administrative agent, collateral agent and funding agent) pursuant to Section 2.4(d) of the Loan Agreement and related agent fee letter. Payments 4 and 7 were made by Longview to Ableco (acting in its capacities as administrative agent, collateral agent and funding

agent) pursuant to Section 2.4© of the Loan agreement and related demand letter.

Payment 3 and 5 were made by Longview to Great Lakes to reimburse Great Lakes for payments which Great Lakes had advanced to Ableco, on Longview's behalf in January 2001 in response to Ableco's request for certain upfront advances for expenses in order for Ableco to continue the process of evaluating, structuring and documenting a loan transaction with Longview which resulted in the loan transaction as set forth in the loan agreement.

COPY

TERM NOTE

US \$7,826,959

February 27, 2001
Chicago, Illinois

FOR VALUE RECEIVED, the undersigned, Longview Aluminum LLC, a Delaware limited liability company ("Borrower"), HEREBY PROMISES TO PAY to the order of McCook Metals LLC, ("Lender"), at its address at 4900 First Avenue, McCook, Illinois, 60525, or at such other place as Lender may designate from time to time in writing, in lawful money of the United States of America and in immediately available funds the amount of SEVEN MILLION EIGHT HUNDRED TWENTY-SIX THOUSAND, NINE HUNDRED AND FIFTY-NINE DOLLARS (\$7,826,959) on or before August 28, 2002

The outstanding principal balance of this Term Note shall bear interest at the rate equal to the prime rate from time to time in effect as reported in the Wall Street Journal. Interest shall be due and payable concurrently with the payment of principal due hereunder. For purposes of this Term Note, "Business Day" means each day on which banks are authorized to transact business in Chicago, Illinois, and "Event of Default" means any of the following:

- (i) Borrower fails to pay when due any installment of principal or interest due hereunder.
- (ii) Borrower defaults in the payment of any other indebtedness owing by it or payment of such other indebtedness is accelerated.
- (iii) Borrower (x) files or has filed against it a petition under Title 11 of the United States Code, as amended (y) makes an assignment for the benefit of creditors, or (z) consents to the appointment of an custodian, receiver, trustee or liquidator for all or part of its assets or the filing of a petition under Title 11 of the United States Code with respect to Borrower.

If any payment on this Term Note becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension.

Upon and after the occurrence of any Event of Default, this all amounts payable under this Term Note without demand, notice or legal process of any kind, immediately shall become due and payable. Time is of the essence of this Term Note. Demand, presentment, protest and notice of nonpayment and protest are hereby waived by Borrower.

THIS TERM NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS APPLICABLE TO CONTRACTS MADE AND PERFORMED IN THAT STATE.

LONGVIEW ALUMINUM LLC

By: 

Title: Chairman

May 26, 1999

Samuel, Son Chicago Ltd.
c/o Samuel, Son & Co., Limited
2360 Dixie Road
Mississauga, Ontario
L4Y 1Z7

Re: Confirmation of Offset Rights

Gentlemen:

This letter is being delivered to you by McCook Metals L.L.C. ("McCook") in accordance with the terms and conditions of Sections 2.04 and 9.01(f) of that certain Asset Purchase Agreement dated May 26, 1999 (the "Agreement") between Samuel, Son Chicago Ltd. ("Chicago") and Great Lakes Metals, L.L.C. ("Metals"). All defined terms used in this letter which are not otherwise defined herein shall have the meanings ascribed to them by the Agreement. By means of this letter, McCook confirms to you that Samuel (or any entity affiliated with Samuel) may offset against sums due to McCook (or Scottsboro Aluminum, L.L.C. ("Scottsboro")) under the following circumstances:

- (i) In the event that Metals shall not have refunded to Chicago any amounts constituting reconciliation of the Royalty from the Royalty Advance as prescribed in the Agreement, then the Samuel Group shall unilaterally be entitled to set-off such reconciliation amount from any and all outstanding amounts owing by any Entity within the Samuel Group to McCook or Scottsboro.
- (ii) In the event of any failure of Metals to indemnify and hold harmless Chicago from an Indemnity Event as prescribed in the Agreement following the occurrence of such Indemnity Event, Chicago and/or the Samuel Group shall unilaterally be entitled to reimbursement for such Indemnity Event by effecting reconciliation and set-off against any and all outstanding amounts owing by any Entity within the Samuel Group to McCook or Scottsboro.

Prior to commencing any litigation against Metals pursuant to the Agreement to either recover the Royalty Advance or enforce the indemnity of Metals in Section 9.01 of the Agreement, Chicago hereby acknowledges and confirms that it shall first seek to utilize the offset mechanism prescribed in this letter with respect to McCook and Scottsboro, and shall only commence litigation against Metals in the event that its claim remains unsatisfied for any reason therefor.

Sincerely,
McCOOK METALS L.L.C.

By: 

Title: _____

Acknowledged and agreed

Samuel, Son Chicago Ltd.

By: _____

[Signature]

Date: _____

May 26, 1999

May 26, 1999

Samuel, Son Chicago Ltd.
c/o Samuel, Son & Co., Limited
2360 Dixie Road
Mississauga, Ontario
L4Y 1Z7

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Sincerely,
McCOOK METALS L.L.C.

By: *Michal L. Sykes*

Title: _____

Acknowledged and agreed

Samuel, Son Chicago Ltd.

By: _____

[Signature]

Date: _____

May 26, 1999

LONGVIEW ALUMINUM COMPANY (LAC)
 (Analysis of BPA Payments and LAC Qualified Expenditures on Curtailment Agreement, Contract No. 01PB-10786)

Expenditure Description:	1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures	
Power			\$1,416,544.00	F	\$1,416,544.00
Power Transmission			\$510,186.00	F	\$510,186.00
	\$0.00	\$0.00	\$1,926,730.00	[1]	\$1,926,730.00 0.85%
Fixed Assets			\$217,474.09	F	\$217,474.09 [9]
Capital Upgrades			\$512,902.27		\$512,902.27 [10] [14]
	\$0.00	\$0.00	\$730,376.36	[1]	\$730,376.36 0.32%
Loan: Ableco Fees			\$500,000.00	F	\$500,000.00 [11]
Loan: Great Lake Processing			\$125,000.00	F	\$125,000.00 [11]
	\$0.00	\$0.00	\$625,000.00	[1]	\$625,000.00 0.28%
Professional Fees: Legal			\$1,457,944.44		\$1,457,944.44
Professional Fees: Accounting			\$721,700.00		\$721,700.00
Professional Fees: Environmental			\$298,625.35		\$298,625.35
Professional Fees: Other			\$302,024.90		\$302,024.90
	\$0.00	\$0.00	\$2,780,294.69	[1]	\$2,780,294.69 1.23%
Acquisition Investments - To McCook			\$3,280,552.97	F	\$3,280,552.97 [12]
Acquisition Investments - Other			\$2,505,304.76		\$2,505,304.76 [13] [14]
Uncategorized Costs			\$361,683.97		\$361,683.97
	\$0.00	\$0.00	\$6,147,541.70		\$6,147,541.70 2.72%
Company Expenditures through February 6, 2002	\$13,756,926.22	\$2,737,415.82	\$28,194,684.98	[1]	\$44,689,027.02 19.77%
Payments Paid Directly to USWA	\$3,100,000.00	a			\$3,100,000.00 1.37%
February 20, 2002 Payment(s)		\$3,200,000.00	b \$7,321,947.00	c	\$10,521,947.00 4.66%
Company Expenditures Plus Direct USWA Payments and February 20, 2002 Payments					\$58,310,974.02 25.80%
Curtailment Payments through February 20, 2002, in Excess of Analyzed Company Expenditures					\$583,472.98 0.26%

The analysis and review notes explain the review procedures performed and findings. The attached schedules summarize the detail expenditures pertaining to cost categories that were selected for review.

ANALYSIS OF PAYMENTS & RELATED EXPENDITURES

BPA Payment Date(s)	Paid to Union Accounts Acct. # 77090793, #3752157994 (Exh. B, Table 2)	Paid to Longview Aluminum Company Acct. #3751628482 (Exh. B, Table 4)	Paid to USWA & Longview Aluminum Company	Paid to ABLECO Finance LLC, Funding Agent, A/C #77090793 (Exh. B, Table 3)	Curtailment Payments Paid on Contract Number 01PB-10786 (Exh. B, Table 1)
March 20, 2001	\$3,800,000.00	\$4,097,500.00	\$7,897,500.00	\$9,102,500.00	\$17,000,000.00
April 20, 2001	\$1,750,000.00	\$1,447,500.00	\$3,197,500.00	\$16,254,880.00	\$19,452,380.00
May 21, 2001	\$1,750,000.00	\$1,447,500.00	\$3,197,500.00	\$18,671,547.00	\$21,869,047.00
June 20, 2001	\$1,666,667.00	\$2,530,833.00	\$4,197,500.00	\$17,671,547.00	\$21,869,047.00
July 20, 2001	\$1,750,000.00	\$1,447,500.00	\$3,197,500.00	\$18,671,547.00	\$21,869,047.00
August 20, 2001	\$1,750,000.00	\$1,447,500.00	\$3,197,500.00	\$18,671,547.00	\$21,869,047.00
September 20, 2001	\$1,666,667.00	\$2,530,833.00	\$4,197,500.00	\$17,671,547.00	\$21,869,047.00
October 22, 2001	\$3,100,000.00	\$1,447,500.00	\$4,547,500.00	\$17,321,547.00	\$21,869,047.00
November 20, 2001	\$3,100,000.00 ^a	\$1,447,500.00	\$4,547,500.00	\$10,035,833.00	\$14,583,333.00
December 20, 2001	\$3,016,666.00	\$2,530,834.00	\$5,547,500.00	\$9,035,833.00	\$14,583,333.00
January 21, 2002	\$3,200,000.00	\$1,447,500.00	\$4,647,500.00	\$9,935,833.00	\$14,583,333.00
February 20, 2002	\$3,200,000.00 ^b	\$7,321,947.00 ^c	\$10,521,947.00	\$4,061,392.00	\$14,583,339.00
Total Payments	\$29,750,000.00	\$29,144,447.00	\$58,894,447.00 26.06%	\$167,105,553.00 73.94%	\$226,000,000.00 100.00%

(Not Reviewed)

Expenditure Description:	1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures
Payroll & Taxes	\$7,273,913.18 F	\$2,136,761.01 F	\$702,931.99 F	\$10,113,606.18 [4]
Retiree Payout	\$1,500,000.00 F		\$1,255,198.73 F	\$2,755,198.73 [5]
Hourly Workmans Compensation	\$52,280.52 F		\$67,629.57 F	\$119,910.09
Hourly 401K	\$1,074,374.02 F	\$220,403.71 F	\$10.85	\$1,294,788.58
Hourly Pension	\$280,825.00 F		\$280,825.00	\$561,650.00
Hourly Union Dues	\$110,781.70 F	\$8,445.08 F	\$29,320.29	\$148,547.07
Hourly Credit Union	\$163,357.82 F		\$127,326.48	\$290,684.30
Hourly Other Payroll Deductions	\$30,476.95 F	\$3,862.15 F	\$4,360.17	\$38,699.27
Hourly Tuition	\$3,788.00 F	\$797.70 F	\$1,908.04	\$6,493.74
Hourly Medical	\$2,913,063.14 F	\$323,725.65 F	\$332,771.46	\$3,569,560.25
Hourly Dental	\$265,838.97 F	\$24,693.77 F	\$25,249.93	\$315,782.67
Hourly Life Insurance	\$87,349.50 F	\$18,726.75 F		\$106,076.25
Other	\$877.42 F			\$877.42
Hourly VEBA			\$590,190.00	\$590,190.00
Salaried: Payroll & Taxes			\$7,006,971.73	\$7,006,971.73 [6]
Salaried Workmans Compensation			\$74,567.39	\$74,567.39
Salaried: 401K			\$496,270.21	\$496,270.21
Salaried Credit Union			\$126,432.60	\$126,432.60
Salaried: Other Pd Deductions			\$7,945.76	\$7,945.76
Salaried Tuition			\$3,078.62	\$3,078.62
Salaried Medical			\$727,112.47	\$727,112.47
Salaried Dental			\$127,007.95	\$127,007.95
Salaried Life Insurance			\$114,197.15	\$114,197.15
	\$13,756,926.22 [3]	\$2,737,415.82 [2]	\$12,101,306.39 [1]	\$28,595,648.43 12.65%

LONGVIEW ALUMINUM COMPANY (LAC)
 (Analysis of BPA Payments and LAC Qualified Expenditures on Curtailment Agreement, Contract No. 01PB-10786)

Expenditure Description:	1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures	
Waste Water Plant			\$42,102.89	\$42,102.89	
Disposal Fees			\$164,716.94	\$164,716.94	
Employee Ben/Activity			\$27,126.10	\$27,126.10	
Enviornmental			\$66,449.03	\$66,449.03	
Freight			\$55,839.34	\$55,839.34	
Ground Keepers			\$11,630.89	\$11,630.89	
Guard			\$26,995.62	\$26,995.62	
Insurance: Property			\$650,000.00		
Insurance: Boiler & Machinery			\$196,050.00		
Insurance: Other			\$396,762.00	\$1,242,812.00	[15]
Manufacturing Supplies			\$979,005.02	\$979,005.02	[7]
Repairs & Maintenance			\$328,142.90	\$328,142.90	[8]
R&M Supplies			\$170,346.97	\$170,346.97	
Sampling & Testing			\$48,521.89	\$48,521.89	
Training			\$9,998.26	\$9,998.26	
Business Licenses			\$7,214.23	\$7,214.23	
Data Processing			\$40,440.79	\$40,440.79	
Travel			\$143,004.28	\$143,004.28	
M&E			\$6,597.17	\$6,597.17	
Meetings & Seminars			\$2,125.15	\$2,125.15	
Natural Gas			\$278,764.47	\$278,764.47	
Office Expense			\$15,796.45	\$15,796.45	
Payroll Services			\$56,062.32	\$56,062.32	
Postage			\$8,057.87	\$8,057.87	
Outside Services			\$58,401.22	\$58,401.22	
Rental & Miscellaneous Equipment			\$24,650.45	\$24,650.45	
Taxes & Use			\$18,729.18	\$18,729.18	
Taxes Other			\$14,302.32	\$14,302.32	
Telephone			\$27,982.24	\$27,982.24	
Bank Charges			\$7,619.85	\$7,619.85	
	\$0.00	\$0.00	\$3,883,435.84 [1]	\$3,883,435.84	1.72%

The analysis and review notes explain the review procedures performed and findings. The attached schedules summarize the detail expenditures pertaining to cost categories that were selected for review.

**Longview Aluminum Company Company Expenditures
for the Period March 22, 2001 through February 6, 2002
Analysis & Review Notes**

[12] - Reviewed documentation provided by Longview Aluminum. The initial documentation reviewed did not explain the basic nature/purpose for the category of costs referred to as 'Acquisition Investments - To McCook. In a subsequent July 31, 2002 clarification letter from Longview Aluminum to Mark Miller, Longview explains that the payments totaling \$3,280,552.97 were payments on an original \$7,826,959 term note, that was established to memorialize an obligation of Longview's to pay McCook for advancing funds to third parties relating to Longviews acquisition of the Longview aluminum plant.

[13] - Reviewed Life Insurance Premium Payments paid to Security Connecticut (\$ 372,008.00) as follows:

- (a) \$156,085.00 for annual premium on Lynch (Policy Number SC23404256 / Check No. 25438 / Chk Date 12/29/00);
- (b) \$55,250.00 for annual premium James McCa (Policy Number SC2340409G / Check No. 25453 / Chk Date 12/29/00);
- (c) \$75,960.00 for annual premium M. Ochalski (Policy Number SC2340417G / Check No. 25451 / Chk Date 12/29/00);
- (d) \$84713.00 for annual premium J. Koll (Policy Number SC2340415M2001 / Check No. 26262 / Chk Date 2/14/01).

The \$1,250,000 paid by Longview to Samuel, Son & Co. LTD was paid in substitution (right to set off) of amounts Longview owed McCook. This arrangement was based on a May 26, 1999 letter agreement between Samuel & Son and McCook giving Samuel & Son the right to set off amounts it might owe McCook. See July 31, 2002 Longview Aluminum letter to Mark Miller.

[14] - Unreconciled amounts were provided as follows: Other Acquisition Costs \$40,000.00 4/18/01 Check No. 1072. Capital Projects \$30,350.46 4/18/01 Check No. 1051. See Analysis of Costs.

[15] - Reviewed nine invoices dated 3/19/01 for [4666 (\$25,003.00), 4667 (\$162,500.00), 4668 (\$23,642.00), 4669 (\$14,375.00), 4670 (\$2,735.00), 4671 (\$787.50), 4672 (\$4,024.33), 4673 (\$695.00), 4674 (\$49,067.00), 4676 (\$3,500.00)] that totaled \$286,328.83 that were paid to Eugene Tkallitch & Associates, Ltd. pertaining to various insurance premiums and policies.

Reviewed nine premium/installment invoices for \$89,188.04 paid to Imperial A.I. Credit Companies (premium periods 3/27/01, 4/27/01, 5/27/01, 6/27/01, 7/27/01, 8/27/01, 9/27/01, 10/27/01, 11/27/01) that totaled \$802,692.36.

Reviewed fifteen invoices paid to Eugene Tkallitch & Associates, Ltd. (Inv# 7676-3/19/01 (\$8,333.00), Inv.# 4681-4/1/01 (\$8,333.00), Inv.# 4688-3/30/01 (Credit \$118.00), Inv.# 4720-5/27/01 (\$8,333.00), Inv.# 4749-6/27/01 (\$8,333.00), Inv.# 4750-6/27/01 (\$3,500.00), Inv.# 4769-6/8/01 (\$1,355.50), Inv.# 4781-6/30/01 (\$8,333.00), Inv.# 4819-7/18/01 (\$300.00), Inv.# 4833-7/31/01 (\$8,333.00), Inv.# 4862-8/27/01 (\$8,333.00), Inv.# 4863-8/27/01 (\$3,772.25), Inv.# 4903-10/27/01 (\$8,333.00), Inv.# 4981-10/29/01 (\$8,333.00), Inv.# 5008-11/27/01 (\$3,772.25).

Clarification documentation provided by Longview states that the 66, 211.83 payments to Imperial Finance was for directors and officers liability insurance paid by Imperial.

Additional Insurance Review: Noted insurance policies were available for review from the following insurers:

- (a) CHUBB (Policy No. 3576-75-43 CHI Liability Insurance);
- (b) CHUBB (Policy Number 8185-03-81 Executive Protection Policy); CHUBB (Policy Number 7640-15-00 Boiler & Machinery);
- (c) CHUBB (Policy Number 8185-04-55 Liability Insurance);
- (d) CHUBB (Policy Number 7350-74-93 Business Auto Policy);
- (e) Industrial Risk Insurers (Policy Number 31-3-68627);
- (f) Indian Harbor Insurance Company (Policy Number PEC0008721 Liability Insurance);
- (g) Fireman's Fund Insurance Companies (Policy Number XYZ-000-8448-5556).

Other Review Procedures Performed: On a select random basis, traced deposits and disbursements from the expenditure information to the various bank statements provided. Traced BPA payment amounts to related expenditure information and bank statements provided.

**Longview Aluminum Company Company Expenditures
for the Period March 22, 2001 through February 6, 2002
Analysis & Review Notes**

F - Footed Longview Aluminum worksheet. Noted detail expenditures/transfers agreed to footed totals.

[1] - Agreed to Longview Aluminum disbursement summary & BPA Payment Reconciliation worksheets.

[2] - Agreed to Longview Aluminum Second Union Account payment schedule.

[3] - Agreed to Longview Aluminum First Union Account payment schedule net of unclassified bank transfers.
(\$16,199,126.22 - \$2,442,200.00) = \$13,756,926.22.

[4] - Verified internal consistency of document data for payroll periods 3/8/01 (Week 10), 3/15/01 (Week 11), 3/29/01 (Week 13), 8/2/01 (Week 31).

Vouched monthly summary detail totals to the period summary 3/2/01 through 2/7/02.

Footed the period summary totals for gross pay, net checks paid, total tax liability, ACH direct deposits, garnishment liability, total liability, adjusted payroll liability, SUTA quarterly taxes, and total hourly payroll and taxes. Noted total hourly payroll and taxes per the period summary agreed to the disbursement summary total for hourly payroll & taxes. (\$10,113,606.18). No significant exceptions noted.

[5] - Reviewed April 5, 2001 retiree payout lead sheet. Noted Gross Retiree Payout equaled \$2,550,000.00, Net checks equaled \$1,607,396.85, and Total Liability agreed to disbursement summary total. (\$2,755,198.73).

[6] - Verified internal consistency of document data for pay periods 3/15/01 (Week 11), and 3/31/01 (Week 13).

Vouched monthly summary detail totals to the period summary March 2001 through January 2002.

Footed the period summary totals for gross pay, net checks, total tax liability, ACH direct deposits, garnishment liability, total liability, adjusted payroll liability and salaried payroll and taxes.

Noted total salaried payroll and taxes per the period summary agreed to the disbursement summary total for salaried payroll and taxes. No significant exceptions noted.

[7] - Reviewed Reliable Steel invoice (Inv. #3288/12/31/01) and check copy (chk #5617/1/24/02) for \$41,565.96.

Reviewed Helser Industries invoice (Inv. #17490/12/20/01) and check copy (chk #2492/1/10/02) for \$33,750.00. Noted invoice, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[8] - Reviewed Protective Coating Consultants invoice (Inv. #16776/11/14/01) and check copy (chk#2218/12/05/01) for \$3,843.00. Noted invoice, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[9] - Reviewed PHH Vehicle Management Services vehicle sales documents (for three vehicles) & related correspondence, check copy (chk#1434). Noted sales invoices total, check copy and disbursement summary dollar amounts agreed. The purchase price for each vehicle showed \$5,650.20, \$7,533.20, \$422.2 = \$15,605.60. No exceptions noted. Reviewed CSB Systems invoice (inv.#8428/1/29/02), quote sheets/ordering document (12/10/01), check copy (chk#2276/12/14/01). Noted quote sheet total, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[10] - Reviewed J.H. Kelly Building Trust Invoice (inv# KW10247/3/23/01), check copy (chk#1239/5/29/01), and supporting invoice documentation. Noted invoice, check copy and disbursement summary dollar amounts agreed. No exceptions noted.

[11] - Reviewed borrowing agreement dated February 26, 2001 between Longview Aluminum, LLC and ABLECO Finance LLC. Noted original loan was \$155,000,000.00. Reviewed Agent Fee Letter dated 2/26/01 making reference to \$100,000 Administrative Agent fee payable on the last business day of each calendar quarter. Reviewed Longview Aluminum reference schedule. That schedule infers that the two payments paid to Great Lake Processing were infact payments to Ableco. In subsequent documentation reviewed, Longview explains that the \$125,000 paid by Longview to Great Lakes Processing was reimbursement for funds Great Lake had advanced Ableco in Longviews Behalf. The \$500,000 paid by Longview to Ableco was for funding agent, collateral agent, administrative agent services provided by Ableco.

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Power Purchases

Vendor Name	Check Number	Date	Amount
BPA	1042M	4/9/01	\$136,142.00
BPA	Wire	5/7/01	\$457,402.00
BPA	Wire	6/18/01	\$157,150.00
BPA	Wire	6/27/01	\$130,800.00
BPA	Wire	7/30/01	\$114,850.00
BPA	Wire	9/13/01	\$97,350.00
BPA	Wire	10/12/01	\$94,400.00
BPA	Wire	12/26/01	\$108,050.00
BPA	Wire	1/16/02	\$120,400.00
			<u><u>\$1,416,544.00</u></u>

Analysis of Transmission Purchases

	Check Number	Date	Amount
BPA	Wire	11/6/01	\$85,600.00
BPA	Wire	12/11/01	\$140,566.00
BPA	Wire	12/26/01	\$141,471.00
BPA	Wire	1/23/02	\$142,549.00
			<u><u>\$510,186.00</u></u>
Total BPA Purchases			<u><u>\$1,926,730.00</u></u>

Analysis of Fixed Assets and Capital Upgrades

Vendor Name	Check Number	Date	Amount
PHH Leasing	1434	7/10/01	\$15,605.60 [9]
Dell Financial Services	1608	8/27/01	\$33,644.47
SoftMart	1685	9/13/01	\$5,287.22
Wonder ware one year life	2239	12/5/01	\$30,620.00
CSB Systems (ERP)	2276	12/14/01	\$108,470.00 [9]
CSB Systems (Support)	2277	12/14/01	\$23,846.40 [9]
			<u><u>\$217,473.69</u></u>
J.H. Kelly	1239	5/29/01	\$139,367.97 [10]
J.H. Kelly	1415	7/10/01	\$87,887.36 [10]
J.H. Kelly	1475	7/23/01	\$146,530.81 [10]
J.H. Kelly (Voided)	1415	7/30/01	(\$87,887.36) [10]
J.H. Kelly	1516	7/30/01	\$43,943.68 [10]
J.H. Kelly	1518	8/8/01	\$43,943.68 [10]
J.H. Kelly	1561	8/8/01	\$17,796.28 [10]
J.H. Kelly	1610	8/27/01	\$90,969.39 [10]
J.H. Kelly	1051	4/18/01	\$30,350.46 [14]
			<u><u>\$512,902.27</u></u>

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Loans

Vendor Name	Check Number	Date	Amount
Keilin & Co.	1308	6/14/01	\$100,000.00
Ableco Finance	1746	9/25/01	\$100,000.00
Great Lakes Processing	Wire	10/17/01	\$75,000.00
Ableco Finance Aquatic Lease	Wire	11/15/01	\$100,000.00
Great Lakes Processing	2352	12/21/01	\$50,000.00
Ableco Financing	2379	12/21/01	\$100,000.00
Ableco Financing - Aquatic land Lease	Wire	1/7/02	\$100,000.00
			<u><u>\$625,000.00</u></u>
Great Lakes Processing (Inconsistent Information)			\$125,000.00 [11]
Ableco Fees (5 late fee payments on loan)			\$500,000.00 [11]
			<u><u>\$625,000.00</u></u>

Analysis of Acquisition Investments - To McCook

Vendor Name	Check Number	Date	Amount
McCook Metals LLC	Wire	4/27/01	\$1,000,000.00 [12]
McCook Metals LLC	Wire	6/29/01	\$300,000.00 [12]
McCook Metals LLC	Wire	7/17/01	\$179,500.00 [12]
McCook Metals LLC	Wire	7/18/01	\$168,000.00 [12]
McCook Metals LLC	Wire	7/18/01	\$168,000.00 [12]
McCook Metals LLC	Wire	7/20/01	\$141,930.75 [12]
McCook Metals LLC	Wire	7/23/01	\$54,925.19 [12]
McCook Metals LLC	Wire	7/24/01	\$149,666.29 [12]
McCook Metals LLC	Wire	7/25/01	\$21,865.73 [12]
McCook Metals LLC	Wire	7/26/01	\$37,790.98 [12]
McCook Metals LLC	Wire	7/26/01	\$114,600.20 [12]
McCook Metals LLC	Wire	7/27/01	\$66,961.77 [12]
McCook Metals LLC	Wire	7/30/01	\$148,312.06 [12]
McCook Metals LLC	Wire	7/31/01	\$317,000.00 [12]
McCook Metals LLC	Wire	8/1/01	\$1,000,000.00 [12]
McCook Metals LLC - Deposit	Wire	8/2/01	(\$588,000.00) [12]
			<u><u>\$3,280,552.97</u></u>

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Acquisition Investments - Other

Vendor Name	Check Number	Date	Amount
Edgar A. Stark Jr.	1093	4/25/01	\$4,386.40
Samuel & Son	1288	6/7/01	\$100,000.00 [13]
Security Connecticut - Lynch	1340	6/25/01	\$156,085.00 [13]
Security Connecticut - McCall	1341	6/25/01	\$55,250.00 [13]
Security Connecticut - Ohalski	1342	6/25/01	\$75,960.00 [13]
Security Connecticut - Kolleng	1343	6/25/01	\$84,713.00 [13]
Samuel & Son - Voided 8/9 - Valid 12 M.	1461	7/23/01	\$100,000.00 [13]
Jenkins & Gilchrist	Wire	7/24/01	\$400,000.00
Dynegy	Wire	7/26/01	\$369,400.00
Samuel & Son - Stop Payment 8/9	1461	8/9/01	(\$100,000.00) [13]
Samuel & Son - Replace Stop Pymt.	Wire	8/9/01	\$100,000.00 [13]
American Express	1566	8/15/01	\$15,554.08
Samuel & Son	Wire	9/13/01	\$100,000.00 [13]
Samuel & Son	Wire	9/26/01	\$100,000.00 [13]
American Express	1841	10/12/01	\$29,469.78
Samuel & Son	Wire	10/16/01	\$100,000.00 [13]
Samuel & Son	Wire	10/29/01	\$150,000.00 [13]
American Express	1927	11/1/01	\$24,486.50
Samuel & Son	Wire	11/29/01	\$150,000.00 [13]
Samuel & Son	Wire	12/12/01	\$100,000.00 [13]
Samuel Son & Co.	Wire	12/13/01	\$150,000.00 [13]
Samuel & Son	Wire	1/9/02	\$100,000.00 [13]
Samuel & Son	Wire	2/1/02	\$100,000.00 [13]
LECG	1072	4/18/01	\$40,000.00 [14]
			<u><u>\$2,505,304.76</u></u>

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Insurance Payments:

Vendor Name	Invoice Number	Invoice Date	Amount	
Liability	4666	3/19/01	\$25,000.00	[15]
Property	4667	3/19/01	\$162,500.00	[15]
Environmental / Pollution	4668	3/19/01	\$23,642.00	[15]
Umbrella	4669	3/19/01	\$14,375.00	[15]
Crime	4670	3/19/01	\$2,735.00	[15]
Fiduciary	4671	3/19/01	\$787.50	[15]
Directors & Officers	4672	3/19/01	\$4,024.33	[15]
Fees & Taxes	4673	3/19/01	\$695.00	[15]
Boiler & Machinery	4674	3/19/01	\$49,067.00	[15]
Auto	4676	3/19/01	\$3,500.00	[15]
			\$286,325.83	
Imperial Premium Finance		3/27/01	\$89,188.04	[15]
Imperial Premium Finance		4/27/01	\$89,188.04	[15]
Imperial Premium Finance		5/27/01	\$89,188.04	[15]
Imperial Premium Finance		6/27/01	\$89,188.04	[15]
Imperial Premium Finance		7/27/01	\$89,188.04	[15]
Imperial Premium Finance		8/27/01	\$89,188.04	[15]
Imperial Premium Finance		9/27/01	\$89,188.04	[15]
Imperial Premium Finance		10/27/01	\$89,188.04	[15]
Imperial Premium Finance		11/27/01	\$89,188.04	[15]
			\$802,692.36	
Eugene Tkalitch	7676	3/19/01	\$8,333.00	[15]
Eugene Tkalitch	4681	4/1/01	\$8,333.00	[15]
Eugene Tkalitch	4688	3/30/01	(\$118.00)	[15]
Eugene Tkalitch	4720	5/27/01	\$8,333.00	[15]
Eugene Tkalitch	4749	6/27/01	\$8,333.00	[15]
Eugene Tkalitch	4750	6/27/01	\$3,500.00	[15]
Eugene Tkalitch	4769	6/8/01	\$1,355.50	[15]
Eugene Tkalitch	4781	6/30/01	\$8,333.00	[15]
Eugene Tkalitch	4819	7/18/01	\$300.00	[15]
Eugene Tkalitch	4833	7/31/01	\$8,333.00	[15]
Eugene Tkalitch	4862	8/27/01	\$8,333.00	[15]
Eugene Tkalitch	4863	8/27/01	\$3,772.25	[15]
Eugene Tkalitch	4903	10/27/01	\$8,333.00	[15]
Eugene Tkalitch	4981	10/27/01	\$8,333.00	[15]
Eugene Tkalitch	5008	11/27/01	\$3,772.25	[15]
			\$87,579.00	
Imperial A.I. Finance		9/7/01	\$14,749.88	[15]
Imperial A.I. Finance		9/14/01	\$10,292.39	[15]
Imperial A.I. Finance		10/12/01	\$10,292.39	[15]
Imperial A.I. Finance		11/15/01	\$10,292.39	[15]
Imperial A.I. Finance		12/17/01	\$10,292.39	[15]
Imperial A.I. Finance		1/15/02	\$10,292.39	[15]
			\$66,211.83	
Insurances:			\$1,242,809.02	

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Hourly Payroll

Month	Gross Payroll	Net Payroll	Total Hourly Payroll & Taxes
March 4, 2001 (Week 10)	\$374,132.09	\$225,039.03	\$337,968.97
Voided March Checks	(\$48,699.55)	(\$31,045.70)	(\$47,553.26)
Reissued Checks	\$40,341.46	\$25,186.59	\$38,067.49
March 15, 2001 (Week 11)	\$395,915.43	\$248,804.01	\$367,675.31
Additional Payroll 3/15	\$748.31	\$939.45	\$1,045.68
March 22, 2001 (Week 12)	\$351,865.27	\$145,084.14	\$232,827.43
Additional Payroll 3/22	\$973.76	(\$542.73)	(\$493.78)
March 29, 2001 (Week 13)	\$357,950.86	\$88,601.93	\$109,597.57 [6]
Additional Payroll 3/22	\$6,333.84	\$6,451.64	\$6,528.69 [6]
Miscellaneous Difference		\$40.00	\$40.00
Mar-01	\$1,479,561.47	\$708,558.36	\$1,045,704.10
Apr-01	\$1,551,496.39	\$377,020.53	\$567,787.88
SUTA Quarterly Taxes			\$13,574.67
May-01	\$1,785,949.12	\$345,117.64	\$666,552.59
Jun-01	\$1,441,970.24	\$257,697.55	\$523,184.90
Jul-01	\$1,442,050.50	\$257,192.52	\$542,926.67
SUTA Quarterly Taxes			\$37,076.11
Aug-01	\$1,808,428.88	\$314,572.80	\$682,784.29
Sep-01	\$1,429,657.70	\$270,154.25	\$592,973.15
Oct-01	\$1,745,517.85	\$550,554.39	\$1,217,777.36
SUTA Quarterly Taxes			\$10,891.67
Nov-01	\$1,392,285.03	\$552,177.30	\$1,248,621.25
Dec-01	\$1,399,096.20	\$569,831.73	\$1,103,106.20
Taxes Not Deposited do to Overpayment with IRS			
Jan-02	\$1,741,852.31	\$745,736.31	\$1,559,689.47
SUTA Quarterly Taxes			\$22,044.32
Feb-02	\$352,885.41	\$157,284.60	\$325,690.44
		\$5,105,897.98	\$10,160,385.07
Differences:			(\$46,778.89)
Retirees Payout April 2001		\$1,607,396.85	
	\$17,570,751.10	\$6,713,294.83	\$10,113,606.18

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Salaried Payroll

Month	Gross Payroll	Net Payroll	Total Hourly Payroll & Taxes
March 15, 2001 (Week 11)	\$305,389.88	\$192,925.24	\$297,053.33
March 31, 2001 (Week 13)	\$342,546.38	\$216,191.13	\$332,694.87 [4]
Supplemental (Week 13)	\$34,198.37	\$25,381.41	\$37,347.12 [4]
Garnishment (Week 13)		\$840.07	\$840.07 [4]
Mar-01	\$682,134.63	\$435,337.85	\$667,935.39
Apr-01	\$645,040.77	\$312,999.44	\$622,269.43
SUTA Quarterly Taxes			\$9,140.60
May-01	\$694,163.36	\$177,816.73	\$629,290.86
Jun-01	\$613,186.00	\$132,567.55	\$548,269.16
Jul-01	\$667,978.70	\$177,671.45	\$623,082.78
SUTA Quarterly Taxes			\$19,067.90
Aug-01	\$649,511.77	\$142,430.78	\$583,538.90
Sep-01	\$649,835.98	\$159,672.19	\$605,950.81
Oct-01	\$647,985.76	\$153,833.12	\$622,792.83
SUTA Quarterly Taxes			\$4,519.10
Nov-01	\$634,604.98	\$150,201.46	\$615,834.77
Dec-01	\$617,485.26	\$152,753.25	\$516,072.03
Jan-02	\$512,348.18	\$104,172.54	\$500,808.55
SUTA Quarterly Taxes			\$8,788.45
FICA Refund to Hourly Employees			\$362,260.17
FICA Refund to Salaried Employees			\$60,756.05
Miscellaneous Difference			\$6,593.95
	\$7,014,275.39	\$2,099,456.36	\$7,006,971.73

(Analysis of BPA Payments and LAC Qualified Expenditures on Curtailment Agreement, Contract No. 01PB-10786)

Waste Water Plant				\$42,102.89		\$42,102.89	
Disposal Fees				\$164,716.94		\$164,716.94	
Employee Ben/Activity				\$27,126.10		\$27,126.10	
Enviornmental				\$66,449.03		\$66,449.03	
Freight				\$55,839.34		\$55,839.34	
Ground Keepers				\$11,630.89		\$11,630.89	
Guard				\$26,995.62		\$26,995.62	
Insurance: Property				\$630,000.00			
Insurance: Boiler & Machinery				\$196,050.00			
Insurance: Other				\$396,762.00		\$1,242,812.00	[15]
Manufacturing Supplies				\$979,005.02		\$979,005.02	[7]
Repairs & Maintenance				\$328,142.90		\$328,142.90	[8]
R&M Supplies				\$170,346.97		\$170,346.97	
Sampling & Testing				\$48,521.89		\$48,521.89	
Training				\$9,998.26		\$9,998.26	
Business Licenses				\$7,214.23		\$7,214.23	
Data Processing				\$40,440.79		\$40,440.79	
Travel				\$143,004.28		\$143,004.28	
M&E				\$6,597.17		\$6,597.17	
Meetings & Seminars				\$2,125.15		\$2,125.15	
Natural Gas				\$278,764.47		\$278,764.47	
Office Expense				\$15,796.45		\$15,796.45	
Payroll Services				\$56,062.32		\$56,062.32	
Postage				\$8,057.87		\$8,057.87	
Outside Services				\$58,401.22		\$58,401.22	
Rental & Miscellaneous Equipment				\$24,650.45		\$24,650.45	
Taxes & Use				\$18,729.18		\$18,729.18	
Taxes Other				\$14,302.32		\$14,302.32	
Telephone				\$27,982.24		\$27,982.24	
Bank Charges				\$7,619.85		\$7,619.85	
	\$0.00	\$0.00		\$3,883,435.84	[1]	\$3,883,435.84	1.72%
Power				\$1,416,544.00	F	\$1,416,544.00	
Power Transmission				\$510,186.00	F	\$510,186.00	
	\$0.00	\$0.00		\$1,926,730.00	[1]	\$1,926,730.00	0.85%
Fixed Assets				\$217,474.09	F	\$217,474.09	[9]
Capital Upgrades				\$512,902.27		\$512,902.27	[10] [14]
	\$0.00	\$0.00		\$730,376.36	[1]	\$730,376.36	0.32%
Loan: Ableco Fees				\$500,000.00	F	\$500,000.00	[11]
Loan: Great Lake Processing				\$125,000.00	F	\$125,000.00	[11]
	\$0.00	\$0.00		\$625,000.00	[1]	\$625,000.00	0.28%
Professional Fees: Legal				\$1,457,944.44		\$1,457,944.44	
Professional Fees: Accounting				\$721,700.00		\$721,700.00	
Professional Fees: Enviornmental				\$298,625.35		\$298,625.35	
Professional Fees: Other				\$302,024.90		\$302,024.90	
	\$0.00	\$0.00		\$2,780,294.69	[1]	\$2,780,294.69	1.23%
Acquisition Investments - To McCook				\$3,280,552.97	F	\$3,280,552.97	[12]
Acquisition Investments - Other				\$2,505,304.76		\$2,505,304.76	[13] [14]
UnCategorized Costs				\$361,683.97		\$361,683.97	
	\$0.00	\$0.00		\$6,147,541.70		\$6,147,541.70	2.72%
Company Expenditures through February 6, 2002	\$13,756,926.22	\$2,737,415.82		\$28,194,684.98	[1]	\$44,689,027.02	19.77%
Payments Paid Directly to USWA	\$3,100,000.00	a				\$3,100,000.00	1.37%
February 20, 2002 Payment(s)		\$3,200,000.00	b	\$7,321,947.00	c	\$10,521,947.00	4.66%
Company Expenditures Plus Direct USWA Payments and February 20, 2002 Payments						\$58,310,974.02	25.80%
Curtailment Payments through February 20, 2002, in Excess of Analyzed Company Expenditures						\$583,472.98	0.26%

The attached schedules summarize the detail expenditures pertaining to cost categories that were selected for review. The analysis notes explain the review procedures performed and findings.

ANALYSIS OF HOURLY & SALARIED EMPLOYEES NET PAYROLL FOR WEEK 13 LONGVIEW ALUMINUM COMPANY

HOURLY PAYROLL WEEK 13

	Gross Payroll	Net Payroll	Payroll & Taxes
March 29, 2001 (Week 13)	\$357,950.86	\$88,601.93 a	\$109,597.57 a
Additional Payroll 3/22	\$6,333.84 a	\$6,451.64 a	\$6,528.69 a
Miscellaneous Difference		\$40.00	\$40.00
Mar-01	\$364,284.70	\$95,093.57	\$116,166.26

Employee Name (Last / First)	Check Number	Net Payroll	
1 Abercrombie, Steve (page 1)	40003277	\$90.28	
2 Aheren, Timothy J. (page 2)	40003455	\$160.26	
3 Anderson, Robin L. (page 3)	40003522	\$163.86	
4 Bailey, Shelley L. (page 4)	40003526	\$343.60	
5 Blair, Lawrence H. (page 8)	40003447	\$644.80	
6 Bouchard, Burgess (page 9)	40003581	\$504.57	
7 Casey, John L. (page 15)	40003498	\$175.14	
8 Clifton, Kenneth L. (page 17)	40003448	\$512.23	
9 Dietel, Jason L. (page 22)	40003284	\$468.95	
10 Ervi, Frank S. (page 25)	40003515	\$200.14	
11 Fisher, Gary K. (page 26)	40003503	\$327.18	
12 Flake, Clifford G. (page 27)	40003604	\$567.17	
13 Grady, Donald B. (page 31)	40003132	\$304.51	
14 Hanson, David N. (page 36)	40003497	\$556.62	
15 Hill, Troy L. (page 39)	40003606	\$276.01	
16 Hubbard, Jason C. (page 42)	40003356	\$479.72	
17 Johnson, Scott W. (page 46)	40003388	\$162.92	
18 Kessler, Adam R. (page 48)	40003349	\$217.41	
19 LaFave, Ralph E. (page 50)	40003175	\$689.18	
20 Marlow, Laren D. (page 55)	40003628	\$421.65	
21 Netling, Robert S. (page 63)	40003330	\$319.49	
22 Norton, Gregory A. (page 64)	40003617	\$274.82	
23 Osborn, Chad A. (page 65)	40003184	\$154.27	
24 Osborn, Chad A. (page 65)	40003185	\$207.51	
25 Petersen, Steven O. (page 67)	40003564	\$525.76	
26 Quavillon, Joseph A. (page 71)	40003338	\$149.10	
27 Reynolds, Keith M. (page 72)	40003194	\$376.51	
28 Schaffer, Joe L. (page 76)	40003311	\$198.44	
29 Seidl, Donald J. (page 78)	40003543	\$583.84	
30 Trafelet, Leon D. (page 88)	40003341	\$418.88	
31 Uzeta, Anthony J. (page 89)	40003276	\$177.06	
32 Vaughn, Donald N. (page 90)	40003327	\$62.05	
33 Welch, Michael A. (page 91)	40003496	\$241.66	
34 Young, Russell J. (page 97)	40003494	\$253.06	
35 Zepeda, Daniel (page 97)	40003134	\$154.67	
36 Zitek, Jerald K. (page 97)	40003361	\$188.69	Percentage
Employees Specifically Selected (36 / 5.67%)		\$11,552.01	13.04%
Other Employees Not Selected (599 / 94.33%)		\$77,049.92	86.96%
Net Regular Hourly Payroll Week 13 (635 / 100.00% Total)		\$88,601.93	100.00%
1 Allen, Laird W. (page 1)	40003825	\$276.05	
2 LaFave, Edward L. (page 7)	40003822	\$830.43	
3 Zandi, Victor (pagew 14)	40003804	\$101.40	Percentage
Employees Selected (3 / 2.22%)		\$1,207.88	18.72%
Other Employees Not Selected (132 / 97.78%)		\$5,243.76	81.28%
Net Supplemental Hourly Payroll Week 13 (135 / 100.00% Total)		\$6,451.64	100.00%

SALARIED PAYROLL WEEK 13

	Gross Payroll	Net Payroll	Payroll & Taxes
March 31, 2001 (Week 13)	\$342,546.38 a	\$216,191.13 a	\$332,694.87 a
Supplemental (Week 13)	\$34,198.37 a	\$25,381.41 a	\$37,347.12
Garnishment (Week 13)		\$840.07	\$840.07
Mar-01	\$376,744.75	\$242,412.61	\$370,882.06

Employee Name (Last / First)	Check Number	Net Payroll	
1 Alm, Edward S. (page 1)	40002988	\$2,241.10	
2 Brown, Rodney C. (page 2)	40003000	\$2,846.27	
3 Carr, Brenda F. (page 3)	40003005	\$1,529.45	
4 Clay, James A. (page 3)	40003008	\$2,151.48	
5 Farvour, Albert E. (page 4)	40003020	\$1,358.98	
6 Gabrielson, Stephen (page 5)	40003022	\$2,132.50	
7 Hayes, Mitchell G. (page 6)	40003031	\$2,417.58	
8 Johnson, Brian W. (page 7)	40003044	\$2,110.28	
9 Kell, Richard F. (page 8)	40003049	\$2,101.82	
10 Kimball, James O. (page 8)	40003050	\$1,865.85	
11 Leaf, Kenneth R. (page 8)	40003052	\$1,730.39	
12 Mann, Dean F. (page 9)	40003061	\$3,401.09	
13 Nazelrod, Gene W. (page 10)	40003072	\$1,454.73	
14 Oswald, David L. (page 10)	40003075	\$2,063.89	
15 Philpott, Kenneth L. (page 11)	40003077	\$2,272.32	
16 Ramsey, Ronald E. (page 11)	40003082	\$1,615.60	
17 Randolph Dennis L. (page 11)	40003083	\$2,252.36	
18 Sager, Jerry A. (page 12)	40003089	\$1,647.09	
19 Slind, Leland O. (page 13)	40003094	\$3,409.07	
20 Toney, Carl W. (page 14)	40003105	\$2,832.27	
21 Walker, Ray. O. (page 14)	40003106	\$2,593.22	
22 Zandi, Gene R. (page 15)	40003113	\$943.11	Percentage
Employees Specifically Selected (22 / 17.18%)		\$46,970.45	21.73%
Other Employees Not Selected (106 / 82.81%)		\$169,220.68	78.27%
Net Regular Salaried Payroll Week 13 (128 / 100.00% Total)		\$216,191.13	100.00%
1 Babirak, John (page 1)	40003773	\$2,302.09	
2 McDole, Robert (page 1)	40003777	\$5,763.03	
3 Mihalo, Dale (page 1)	40003778	\$1,390.52	
4 Poremba, David (page 2)	40003782	\$5,133.50	
5 Rundle, Clyde (page 2)	40003783	\$3,814.73	Percentage
Employees Specifically Selected (5 / 38.46%)		\$18,403.87	72.51%
Other Employees Not Selected (8 / 61.54%)		\$6,977.54	27.49%
Net Supplemental Salaried Payroll Week 13 (13 / 100.00% Total)		\$25,381.41	100.00%

a - Agreed to ADP Statistical Summary Recap (Liability Recap) for Longview Aluminum

ANALYSIS OF PAYMENTS & RELATED EXPENDITURES

			Paid to Union Accounts Acct. # 77090793, #3752157994 (Exh. B, Table 2)		Paid to Longview Aluminum Company Acct. #3751628482 (Exh. B, Table 4)		Paid to USWA & Longview Aluminum Company		Paid to ABLECO Finance LLC, Funding Agent, A/C #77090793 (Exh. B, Table 3)		Curtailment Payments Paid on Contract Number 01PB-10786 (Exh. B, Table 1)	
BPA Payment Date(s)												
March 20, 2001			\$3,800,000.00		\$4,097,500.00		\$7,897,500.00		\$9,102,500.00		\$17,000,000.00	
April 20, 2001			\$1,750,000.00		\$1,447,500.00		\$3,197,500.00		\$16,254,880.00		\$19,452,380.00	
May 21, 2001			\$1,750,000.00		\$1,447,500.00		\$3,197,500.00		\$18,671,547.00		\$21,869,047.00	
June 20, 2001			\$1,666,667.00		\$2,530,833.00		\$4,197,500.00		\$17,671,547.00		\$21,869,047.00	
July 20, 2001			\$1,750,000.00		\$1,447,500.00		\$3,197,500.00		\$18,671,547.00		\$21,869,047.00	
August 20, 2001			\$1,750,000.00		\$1,447,500.00		\$3,197,500.00		\$18,671,547.00		\$21,869,047.00	
September 20, 2001			\$1,666,667.00		\$2,530,833.00		\$4,197,500.00		\$17,671,547.00		\$21,869,047.00	
October 22, 2001			\$3,100,000.00		\$1,447,500.00		\$4,547,500.00		\$17,321,547.00		\$21,869,047.00	
November 20, 2001			\$3,100,000.00 a		\$1,447,500.00		\$4,547,500.00		\$10,035,833.00		\$14,583,333.00	
December 20, 2001			\$3,016,666.00		\$2,530,834.00		\$5,547,500.00		\$9,035,833.00		\$14,583,333.00	
January 21, 2002			\$3,200,000.00		\$1,447,500.00		\$4,647,500.00		\$9,935,833.00		\$14,583,333.00	
February 20, 2002			\$3,200,000.00 b		\$7,321,947.00 c		\$10,521,947.00		\$4,061,392.00		\$14,583,339.00	
Total Payments			\$29,750,000.00		\$29,144,447.00		\$58,894,447.00	26.06%	\$167,105,553.00	73.94%	\$226,000,000.00	100.00%
(Not Reviewed)												

Expenditure Description:	1st. Union Acct. #77090793 (3/22/01 - 12/18/01)		2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)		Company Account #3751628482 (2/16/01 - 2/6/02)		Total Company Expenditures	
Payroll & Taxes	\$7,273,913.18	F	\$2,136,761.01	F	\$702,931.99	F	\$10,113,606.18	[4]
Retiree Payout	\$1,500,000.00	F			\$1,255,198.73	F	\$2,755,198.73	[5]
Hourly Workmans Compensation	\$52,280.52	F			\$67,629.57	F	\$119,910.09	
Hourly 401K	\$1,074,374.02	F	\$220,403.71	F	\$10.85		\$1,294,788.58	
Hourly Pension	\$280,825.00	F			\$280,825.00		\$561,650.00	
Hourly Union Dues	\$110,781.70	F	\$8,445.08	F	\$29,320.29		\$148,547.07	
Hourly Credit Union	\$163,357.82	F			\$127,326.48		\$290,684.30	
Hourly Other Payroll Deductions	\$30,476.95	F	\$3,862.15	F	\$4,360.17		\$38,699.27	
Hourly Tuition	\$3,788.00	F	\$797.70	F	\$1,908.04		\$6,493.74	
Hourly Medical	\$2,913,063.14	F	\$323,725.65	F	\$332,771.46		\$3,569,560.25	
Hourly Dental	\$265,838.97	F	\$24,693.77	F	\$25,249.93		\$315,782.67	
Hourly Life Insurance	\$87,349.50	F	\$18,726.75	F			\$106,076.25	
Other	\$877.42	F					\$877.42	
Hourly VEBA					\$590,190.00		\$590,190.00	
Salaried: Payroll & Taxes					\$7,006,971.73		\$7,006,971.73	[6]
Salaried Workmans Compensation					\$74,567.39		\$74,567.39	
Salried: 401K					\$496,270.21		\$496,270.21	
Salaried Credit Union					\$126,432.60		\$126,432.60	
Salaried: Other Pd Deductions					\$7,945.76		\$7,945.76	
Salaried Tuition					\$3,078.62		\$3,078.62	
Salaried Medical					\$727,112.47		\$727,112.47	
Salaried Dental					\$127,007.95		\$127,007.95	
Salaried Life Insurance					\$114,197.15		\$114,197.15	
	\$13,756,926.22	[3]	\$2,737,415.82	[2]	\$12,101,306.39	[1]	\$28,595,648.43	12.65%

The attached schedules summarize the detail expenditures pertaining to cost were selected for review. The analysis notes explain the review procedures

The attached schedules summarize the detail expenditures pertaining to cost categories that were selected for review. The analysis notes explain the review procedures performed and findings.

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Power Purchases

Vendor Name	Check Number	Date	Amount
BPA	1042M	4/9/01	\$136,142.00
BPA	Wire	5/7/01	\$457,402.00
BPA	Wire	6/18/01	\$157,150.00
BPA	Wire	6/27/01	\$130,800.00
BPA	Wire	7/30/01	\$114,850.00
BPA	Wire	9/13/01	\$97,350.00
BPA	Wire	10/12/01	\$94,400.00
BPA	Wire	12/26/01	\$108,050.00
BPA	Wire	1/16/02	\$120,400.00
			<u><u>\$1,416,544.00</u></u>

Analysis of Transmission Purchases

	Check Number	Date	Amount
BPA	Wire	11/6/01	\$85,600.00
BPA	Wire	12/11/01	\$140,566.00
BPA	Wire	12/26/01	\$141,471.00
BPA	Wire	1/23/02	\$142,549.00
			<u><u>\$510,186.00</u></u>
Total BPA Purchases			<u><u>\$1,926,730.00</u></u>

Analysis of Fixed Assets and Capital Upgrades

Vendor Name	Check Number	Date	Amount	
PHH Leasing	1434	7/10/01	\$15,605.60	[9] Documentation Reviewed
Dell Financial Services	1608	8/27/01	\$33,644.47	
SoftMart	1685	9/13/01	\$5,287.22	
Wonder ware one year life	2239	12/5/01	\$30,620.00	
CSB Systems (ERP)	2276	12/14/01	\$108,470.00	[9] Doc. Reviewed
CSB Systems (Support)	2277	12/14/01	\$23,846.40	[9] Doc. Reviewed
			<u><u>\$217,473.69</u></u>	
J.H. Kelly	1239	5/29/01	\$139,367.97	[10] Doc. Reviewed
J.H. Kelly	1415	7/10/01	\$87,887.36	[10] Doc. Reviewed
J.H. Kelly	1475	7/23/01	\$146,530.81	[10] Doc. Reviewed
J.H. Kelly (Voided)	1415	7/30/01	(\$87,887.36)	[10] Doc. Reviewed
J.H. Kelly	1516	7/30/01	\$43,943.68	[10] Doc. Reviewed
J.H. Kelly	1518	8/8/01	\$43,943.68	[10] Doc. Reviewed
J.H. Kelly	1561	8/8/01	\$17,796.28	[10] Doc. Reviewed
J.H. Kelly	1610	8/27/01	\$90,969.39	[10] Doc. Reviewed
J.H. Kelly	1051	4/18/01	\$30,350.46	[10] Doc. Reviewed
			<u><u>\$512,902.27</u></u>	

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Loans

Vendor Name	Check Number	Date	Amount
Keilin & Co.	1308	6/14/01	\$100,000.00
Ableco Finance	1746	9/25/01	\$100,000.00
Great Lakes Processing	Wire	10/17/01	\$75,000.00
Ableco Finance Aquatic Lease	Wire	11/15/01	\$100,000.00
Great Lakes Processing	2352	12/21/01	\$50,000.00
Ableco Financing	2379	12/21/01	\$100,000.00
Ableco Financing - Aquatic land Lease	Wire	1/7/02	\$100,000.00
			<u><u>\$625,000.00</u></u>

Great Lakes Processing (Inconsistent Information)	\$125,000.00	[11] Explan. Requested
Ableco Fees (5 late fee payments on loan)	\$500,000.00	[11] Explan. Requested
	<u><u>\$625,000.00</u></u>	

Analysis of Acquisition Investments - To McCook

Vendor Name	Check Number	Date	Amount	
McCook Metals LLC	Wire	4/27/01	\$1,000,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	6/29/01	\$300,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/17/01	\$179,500.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/18/01	\$168,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/18/01	\$168,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/20/01	\$141,930.75	[12] Explan. Requested
McCook Metals LLC	Wire	7/23/01	\$54,925.19	[12] Explan. Requested
McCook Metals LLC	Wire	7/24/01	\$149,666.29	[12] Explan. Requested
McCook Metals LLC	Wire	7/25/01	\$21,865.73	[12] Explan. Requested
McCook Metals LLC	Wire	7/26/01	\$37,790.98	[12] Explan. Requested
McCook Metals LLC	Wire	7/26/01	\$114,600.20	[12] Explan. Requested
McCook Metals LLC	Wire	7/27/01	\$66,961.77	[12] Explan. Requested
McCook Metals LLC	Wire	7/30/01	\$148,312.06	[12] Explan. Requested
McCook Metals LLC	Wire	7/31/01	\$317,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	8/1/01	\$1,000,000.00	[12] Explan. Requested
McCook Metals LLC - Deposit	Wire	8/2/01	(\$588,000.00)	[12] Explan. Requested
			<u><u>\$3,280,552.97</u></u>	

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Acquisition Investments - Other

Vendor Name	Check Number	Date	Amount	
Edgar A. Stark Jr.	1093	4/25/01	\$4,386.40	
Samuel & Son	1288	6/7/01	\$100,000.00	[13] Req. Docum.
Security Connecticut - Lynch	1340	6/25/01	\$156,085.00	[13] Life Ins. Premiums
Security Connecticut - McCall	1341	6/25/01	\$55,250.00	[13] Life Ins. Premiums
Security Connecticut - Ohalski	1342	6/25/01	\$75,960.00	[13] Life Ins. Premiums
Security Connecticut - Kolleng	1343	6/25/01	\$84,713.00	[13] Life Ins. Premiums
Samuel & Son - Voided 8/9 - Valid 12 M.	1461	7/23/01	\$100,000.00	[13] Req. Docum.
Jenkins & Gilchrist	Wire	7/24/01	\$400,000.00	
Dynegy	Wire	7/26/01	\$369,400.00	
Samuel & Son - Stop Payment 8/9	1461	8/9/01	(\$100,000.00)	[13] Req. Docum.
Samuel & Son - Replace Stop Pymt.	Wire	8/9/01	\$100,000.00	[13] Req. Docum.
American Express	1566	8/15/01	\$15,554.08	
Samuel & Son	Wire	9/13/01	\$100,000.00	[13] Req. Docum.
Samuel & Son	Wire	9/26/01	\$100,000.00	[13] Req. Docum.
American Express	1841	10/12/01	\$29,469.78	
Samuel & Son	Wire	10/16/01	\$100,000.00	[13] Req. Docum.
Samuel & Son	Wire	10/29/01	\$150,000.00	[13] Req. Docum.
American Express	1927	11/1/01	\$24,486.50	
Samuel & Son	Wire	11/29/01	\$150,000.00	[13] Req. Docum.
Samuel & Son	Wire	12/12/01	\$100,000.00	[13] Req. Docum.
Samuel Son & Co.	Wire	12/13/01	\$150,000.00	[13] Req. Docum.
Samuel & Son	Wire	1/9/02	\$100,000.00	[13] Req. Docum.
Samuel & Son	Wire	2/1/02	\$100,000.00	[13] Req. Docum.
LECG	1072	4/18/01	\$40,000.00	
			<u>\$2,505,304.76</u>	

Need explanation of Samuel & Son payments

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Insurance Payments:

Vendor Name	Invoice Number	Invoice Date	Amount	
Liability	4666	3/19/01	\$25,000.00	[15]
Property	4667	3/19/01	\$162,500.00	[15]
Enviornmental / Pollution	4668	3/19/01	\$23,642.00	[15]
Umbrella	4669	3/19/01	\$14,375.00	[15]
Crime	4670	3/19/01	\$2,735.00	[15]
Fiduciary	4671	3/19/01	\$787.50	[15]
Directors & Officers	4672	3/19/01	\$4,024.33	[15]
Fees & Taxes	4673	3/19/01	\$695.00	[15]
Boiler & Machinery	4674	3/19/01	\$49,067.00	[15]
Auto	4676	3/19/01	\$3,500.00	[15]
			\$286,325.83	
Imperial Premium Finance		3/27/01	\$89,188.04	[15]
Imperial Premium Finance		4/27/01	\$89,188.04	[15]
Imperial Premium Finance		5/27/01	\$89,188.04	[15]
Imperial Premium Finance		6/27/01	\$89,188.04	[15]
Imperial Premium Finance		7/27/01	\$89,188.04	[15]
Imperial Premium Finance		8/27/01	\$89,188.04	[15]
Imperial Premium Finance		9/27/01	\$89,188.04	[15]
Imperial Premium Finance		10/27/01	\$89,188.04	[15]
Imperial Premium Finance		11/27/01	\$89,188.04	[15]
			\$802,692.36	
Eugene Tkalitch	7676	3/19/01	\$8,333.00	[15]
Eugene Tkalitch	4681	4/1/01	\$8,333.00	[15]
Eugene Tkalitch	4688	3/30/01	(\$118.00)	[15]
Eugene Tkalitch	4720	5/27/01	\$8,333.00	[15]
Eugene Tkalitch	4749	6/27/01	\$8,333.00	[15]
Eugene Tkalitch	4750	6/27/01	\$3,500.00	[15]
Eugene Tkalitch	4769	6/8/01	\$1,355.50	[15]
Eugene Tkalitch	4781	6/30/01	\$8,333.00	[15]
Eugene Tkalitch	4819	7/18/01	\$300.00	[15]
Eugene Tkalitch	4833	7/31/01	\$8,333.00	[15]
Eugene Tkalitch	4862	8/27/01	\$8,333.00	[15]
Eugene Tkalitch	4863	8/27/01	\$3,772.25	[15]
Eugene Tkalitch	4903	10/27/01	\$8,333.00	[15]
Eugene Tkalitch	4981	10/27/01	\$8,333.00	[15]
Eugene Tkalitch	5008	11/27/01	\$3,772.25	[15]
			\$87,579.00	
Imperial A.I. Finance		9/7/01	\$14,749.88	[15] Req. Docum.
Imperial A.I. Finance		9/14/01	\$10,292.39	[15] Req. Docum.
Imperial A.I. Finance		10/12/01	\$10,292.39	[15] Req. Docum.
Imperial A.I. Finance		11/15/01	\$10,292.39	[15] Req. Docum.
Imperial A.I. Finance		12/17/01	\$10,292.39	[15] Req. Docum.
Imperial A.I. Finance		1/15/02	\$10,292.39	[15] Req. Docum.
			\$66,211.83	
Insurances:			\$1,242,809.02	

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Hourly Payroll

Month	Gross Payroll	Net Payroll	Total Hourly Payroll & Taxes
March 4, 2001 (Week 10)	\$374,132.09	\$225,039.03	\$337,968.97
Voided March Checks	(\$48,699.55)	(\$31,045.70)	(\$47,553.26)
Reissued Checks	\$40,341.46	\$25,186.59	\$38,067.49
March 15, 2001 (Week 11)	\$395,915.43	\$248,804.01	\$367,675.31
Additional Payroll 3/15	\$748.31	\$939.45	\$1,045.68
March 22, 2001 (Week 12)	\$351,865.27	\$145,084.14	\$232,827.43
Additional Payroll 3/22	\$973.76	(\$542.73)	(\$493.78)
March 29, 2001 (Week 13)	\$357,950.86	\$88,601.93	\$109,597.57
Additional Payroll 3/22	\$6,233.84	\$6,451.64	\$6,528.69
Miscellaneous Difference		\$40.00	\$40.00
Mar-01	\$1,479,561.47	\$708,558.36	\$1,045,704.10
Apr-01	\$1,551,496.39	\$377,020.53	\$567,787.88
SUTA Quarterly Taxes			\$13,574.67
May-01	\$1,785,949.12	\$345,117.64	\$666,552.59
Jun-01	\$1,441,970.24	\$257,697.55	\$523,184.90
Jul-01	\$1,442,050.50	\$257,192.52	\$542,926.67
SUTA Quarterly Taxes			\$37,076.11
Aug-01	\$1,808,428.88	\$314,572.80	\$682,784.29
Sep-01	\$1,429,657.70	\$270,154.25	\$592,973.15
Oct-01	\$1,745,517.85	\$550,554.39	\$1,217,777.36
SUTA Quarterly Taxes			\$10,891.67
Nov-01	\$1,392,285.03	\$552,177.30	\$1,248,621.25
Dec-01	\$1,399,096.20	\$569,831.73	\$1,103,106.20
Taxes Not Deposited do to Overpayment with IRS			
Jan-02	\$1,741,852.31	\$745,736.31	\$1,559,689.47
SUTA Quarterly Taxes			\$22,044.32
Feb-02	\$352,885.41	\$157,284.60	\$325,690.44
		\$5,105,897.98	\$10,160,385.07
Differences:			(\$46,778.89)
Retirees Payout April 2001		\$1,607,396.85	
	\$17,570,751.10	\$6,713,294.83	\$10,113,606.18

[6] Requested
Summary of Net Payroll

[6] Requested
Summary of Net Payroll

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Salaried Payroll

Month	Gross Payroll	Net Payroll	Total Hourly Payroll & Taxes
March 15, 2001 (Week 11)	\$305,389.88	\$192,925.24	\$297,053.33
March 31, 2001 (Week 13)	\$342,546.38	\$216,191.13	\$332,694.87
Supplemental (Week 13)	\$34,193.37	\$25,381.41	\$37,347.12
Garnishment (Week 13)		\$340.07	\$840.07
Mar-01	\$682,134.63	\$435,337.85	\$667,935.39
Apr-01	\$645,040.77	\$312,999.44	\$622,269.43
SUTA Quarterly Taxes			\$9,140.60
May-01	\$694,163.36	\$177,816.73	\$629,290.86
Jun-01	\$613,186.00	\$132,567.55	\$548,269.16
Jul-01	\$667,978.70	\$177,671.45	\$623,082.78
SUTA Quarterly Taxes			\$19,067.90
Aug-01	\$649,511.77	\$142,430.78	\$583,538.90
Sep-01	\$649,835.98	\$159,672.19	\$605,950.81
Oct-01	\$647,985.76	\$153,833.12	\$622,792.83
SUTA Quarterly Taxes			\$4,519.10
Nov-01	\$634,604.98	\$150,201.46	\$615,834.77
Dec-01	\$617,485.26	\$152,753.25	\$516,072.03
Jan-02	\$512,348.18	\$104,172.54	\$500,808.55
SUTA Quarterly Taxes			\$8,788.45
FICA Refund to Hourly Employees			\$362,260.17
FICA Refund to Salaried Employees			\$60,756.05
Miscellaneous Difference			\$6,593.95
	\$7,014,275.39	\$2,099,456.36	\$7,006,971.73

[4] Requested
Summary of Net Payroll
[4] Requested
Summary of Net Payroll
[4] Requested
Summary of Net Payroll

**Longview Aluminum Company Company Expenditures
for the Period March 22, 2001 through February 6, 2002
Analysis & Review Notes**

F - Footed Longview Aluminum worksheet. Noted detail expenditures/transfers agreed to footed totals.

[1] - Agreed to Longview Aluminum disbursement summary & BPA Payment Reconciliation worksheets.

[2] - Agreed to Longview Aluminum Second Union Account payment schedule.

[3] - Agreed to Longview Aluminum First Union Account payment schedule net of unclassified bank transfers.
(\$16,199,126.22 - \$2,442,200.00) = \$13,756,926.22.

[4] - Verified internal consistency of document data for payroll periods 3/8/01 (Week 10), 3/15/01 (Week 11), 3/29/01 (Week 13), 8/2/01 (Week 31).

Vouched monthly summary detail totals to the period summary 3/2/01 through 2/7/02.

Footed the period summary totals for gross pay, net checks paid, total tax liability, ACH direct deposits, garnishment liability, total liability, adjusted payroll liability, SUTA quarterly taxes, and total hourly payroll and taxes. Noted total hourly payroll and taxes per the period summary agreed to the disbursement summary total for hourly payroll & taxes. (\$10,113,606.18). No significant exceptions noted.

Requested a list of employees paid for week 13 (March 15, 2001) that shows net paid by employee that totals \$216191.13 + \$25381.47 + \$840.07 = **\$242,412.67**.

[5] - Reviewed April 5, 2001 retiree payout lead sheet. Noted Gross Retiree Payout equaled \$2,550,000.00, Net checks equaled \$1,607,396.85, and Total Liability agreed to disbursement summary total. (\$2,755,198.73).

[6] - Verified internal consistency of document data for pay periods 3/15/01 (Week 11), and 3/31/01 (Week 13).

Vouched monthly summary detail totals to the period summary March 2001 through January 2002.

Footed the period summary totals for gross pay, net checks, total tax liability, ACH direct deposits, garnishment liability, total liability, adjusted payroll liability and salaried payroll and taxes.

Noted total salaried payroll and taxes per the period summary agreed to the disbursement summary total for salaried payroll and taxes. No significant exceptions noted.

Requested a list of employees paid for week 13 (March 15, 2001) that shows net paid by employee that totals \$88,601.93 + \$6,451.64 = \$95,053.57.

[7] - Reviewed Reliable Steel invoice (Inv. #3288/12/31/01) and check copy (chk #5617/1/24/02) for \$41,565.96.

Reviewed Helser Industries invoice (Inv. #17490/12/20/01) and check copy (chk #2492/1/10/02) for \$33,750.00. Noted invoice, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[8] - Reviewed Protective Coating Consultants invoice (Inv. #16776/11/14/01) and check copy (chk#2218/12/05/01) for \$3,843.00. Noted invoice, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[9] - Reviewed PHH Vehicle Management Services vehicle sales documents (for three vehicles) & related correspondence, check copy (chk#1434). Noted sales invoices total, check copy and disbursement summary dollar amounts agreed. The purchase price for each vehicle showed \$5,650.20, \$7,533.20, \$422.2 = \$15,605.60. No exceptions noted. Reviewed CSB Systems invoice (inv.#8428/1/29/02), quote sheets/ordering document (12/10/01), check copy (chk#2276/12/14/01). Noted quote sheet total, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[10] - Reviewed J.H. Kelly Building Trust Invoice (inv# KW10247/3/23/01), check copy (chk#1239/5/29/01), and supporting invoice documentation. Noted invoice, check copy and disbursement summary dollar amounts agreed. No exceptions noted.

**Longview Aluminum Company Company Expenditures
for the Period March 22, 2001 through February 6, 2002
Analysis & Review Notes**

[11] - Reviewed borrowing agreement dated February 26, 2001 between Longview Aluminum, LLC and ABLECO Finance LLC. Noted original loan was \$155,000,000.00. Also reviewed Agent Fee Letter dated 2/26/01 making reference to \$100,000 Administrative Agent fee payable on the last business day of each calendar quarter. Reviewed Longview Aluminum reference schedule. That schedule infers that the two payments paid to Great Lake Processing were infact payments to Ableco. However, the attached documentation provided by Longview Aluminum including wire transfer dates appears to be inconsistent with original disbursement summary dates. That is, GLP Wire / Date per disbursement summary shows 10/17/01 for \$75,000 and check no 2352 on 12/21/01 for \$50,000. The provided documentation shows wire transfers occurred on 1/31/01 for both amounts. The documentation provided does not clearly answer the initial question/concern. Request a clear and consise explanation for the two payment amounts of \$125,000 and \$500,000 respectively too Great Lake Processing and Abelco.

[12] - Reviewed various legal documentation provided. The documentation does not answer the question what is the basic nature/purpose for the category of costs referred to as 'Acquisition Investments - To McCook. Please provide a consise and to the point explanation for the \$3,280,552.97 payments to McCook Metals LLC.

[13] - Reviewed Life Insurance Premium Payments paid to Security Connecticut (\$ 372,008.00) as follows: (a) \$156,085.00 for annual premium on Lynch (Policy Number SC23404256 / Check No. 25438 / Chk Date 12/29/00); (b) \$55,250.00 for annual premium James McCa (Policy Number SC2340409G / Check No. 25453 / Chk Date 12/29/00); (c) \$75,960.00 for annual premium M. Ochalski (Policy Number SC2340417G / Check No. 25451 / Chk Date 12/29/00); (d) \$84713.00 for annual premium J. Koll (Policy Number SC2340415M2001 / Check No. 26262 / Chk Date 2/14/01). No documentation was provided regarding Samuel & Son. Total payments paid to Samuel & Son were \$1,250,000.

[14] - Unreconciled amounts were provided as follows: Other Acquisition Costs \$40,000.00 4/18/01 Check No. 1072. Capital Projects \$30,350.46 4/18/01 Check No. 1051. See Analysis of Costs.

[15] - Reviewed nine invoices dated 3/19/01 for [4666 (\$25,003.00), 4667 (\$162,500.00), 4668 (\$23,642.00), 4669 (\$14,375.00), 4670 (\$2,735.00), 4671 (\$787.50), 4672 (\$4,024.33), 4673(\$695.00), 4674 (\$49,067.00), 4676 (\$3,500.00)] that totaled \$286,328.83 that were paid to Eugene Tkaltich & Associated, Ltd. pertaining to various insurance premiums and policies.

Reviewed nine premium/installment invoices for \$89,188.04 paid to Imperial A.I. Credit Companies (premium periods 3/27/01, 4/27/01, 5/27/01, 6/27/01, 7/27/01, 8/27/01, 9/27/01, 10/27/01, 11/27/01) that totaled \$802,692.36.

Reviewed fifteen invoices paid to Eugene Tkaltich & Associates, Ltd. (Inv# 7676-3/19/01 (\$8,333.00), Inv.# 4681-4/1/01 (\$8,333.00), Inv.# 4688-3/30/01 (Credit \$118.00), Inv.# 4720-5/27/01 (\$8,333.00), Inv.# 4749-6/27/01 (\$8,333.00), Inv.# 4750-6/27/01 (\$3,500.00), Inv.# 4769-6/8/01 (\$1,355.50), Inv.# 4781-6/30/01 (\$8,333.00), Inv.# 4819-7/18/01 (\$300.00), Inv.# 4833-7/31/01 (\$8,333.00), Inv.# 4862-8/27/01 (\$8,333.00), Inv.# 4863-8/27/01 (\$3,772.25), Inv.# 4903-10/27/01 (\$8,333.00), Inv.# 4981-10/29/01 (\$8,333.00), Inv.# 5008-11/27/01 (\$3,772.25).

Additional Insurance Review: Noted insurance policies were available for review from the following insurers:

- (a) CHUBB (Policy No. 3576-75-43 CHI Liability Insurance);
- (b) CHUBB (Policy Number 8185-03-81 Executive Protection Policy); CHUBB (Policy Number 7640-15-00 Boiler & Machinery);
- (c) CHUBB (Policy Number 8185-04-55 Liability Insurance);
- (d) CHUBB (Policy Number 7350-74-93 Business Auto Policy);
- (e) Industrial Risk Insurers (Policy Number 31-3-68627);
- (f) Indian Harbor Insurance Company (Policy Number PEC0008721 Liability Insurance);
- (g) Fireman's Fund Insurance Companies (Policy Number XYZ-000-8448-5556).

A schedule of premium payments to Imperial A.I. Finance that totaled \$66,211.83 was provided without explanatory invoices/check copies.

Other Review Procedures Performed: On a select randon basis, traced deposits and disbursements from the expenditure information to the various bank statements provided. Traced BPA payment amounts to related expenditure information and bank statements provided.

Mr. John Kolleng
Longview Aluminum, LLC

Re: Curtailment Agreement, Contract No. 01PB-10786

We have reviewed Longview Aluminum expenditure information you provided on February 13, 2002. To ensure that the funds BPA has paid Longview have been spent on Qualifying Expenditures, as defined in the above contract, we need to review other detail documents and obtain a brief explanation regarding some expenditures that we noted in the records you provided us on February 13, 2002.

The following is a summary of additional documents and ledgers we would like to review and questions regarding some categories of expenditures. Because we did not retain copies of any of the expenditures documents we reviewed, we request that you retain those documents.

- Longview's expenditure information shows that the company has spent \$10,113,606.18, for hourly payroll and taxes, \$7,006,971.73 for salaried payroll and taxes, and \$2,755,198.73 for retiree payouts, for the period December 18, 2001 through February 6, 2002. While we reconciled total expenditures for these costs categories from the two Union Accounts and Company account, we also need to review the source ledgers (i.e., payroll and payroll tax ledgers etc.) that supports these payments.
- Longview's expenditure information shows that the company has spent \$1,242,812, for insurances related to Property, Boiler & Machinery and Other. In order to verify that the insurance premiums paid pertain to insurance policies involving the Longview plant, we would like to review the underlining insurance invoices that pertain to those payments and related insurance policies.
- Longview's expenditure information shows that the company has spent \$979,005.02 for Repairs and Maintenance (RM), \$328,142.00 for R&M Supplies (S), \$217,473.69 for Fixed Assets (FA), and \$512,902.27 for Capital Upgrades (CU). To better understand the nature of these expenditures, we would like to examine the invoices related to the following payments shown in the expenditure account worksheet for the company account.

Vendor Name	Cost Category	Check Number	Date Paid	Dollar Amount
Helser Industries	RM	2492	7/10/02	\$33,750.00
Reliable Steel	RM	2617	1/24/02	\$41,565.96
Protective Coating Consultants	S	2218	12/5/01	\$3,843.00
PHH Leasing	FA	1434	7/10/01	\$15,605.60
CSB Systems (ERP)	FA	2276	12/14/01	\$108,470.00
J.H. Kelly	CU	1239	5/29/01	\$139,367.97

- Longview's expenditure information shows that the company spent \$125,000.00 and \$500,000 in loan payments to Great Lake Processing and Ableco Financing respectively. Please explain the nature of these loans. That is, are these payments being paid to a creditor, on an existing loan owed by Longview?; or, is Longview providing finance to these companies? (Attachment #1)
- Longview's expenditure information shows that the company spent \$3,280,552.97 to McCook Metals, LLC in what is described as Acquisition investments to McCook. Please explain the nature of these payments. (Attachment #2)
- Longview's expenditure information shows that the company spent \$2,505,304.76 for what is described as Other Investments. Two large payee's included in this total were Samuel & Son and Security Connecticut. Please explain the nature of the payments paid to Samuel & Son and Security Connecticut. (Attachment #2)
- During our review of Longview's Expenditure information we noted that the total expenditures for Capital Upgrades (\$512,902.27) and Other Investments (\$2,505,304.76) could not be reconciled with the detail expenditures paid by \$30,350.46 (Attachment #1) and \$40,000.00 (Attachment #2) respectively. Please explain or provide us with the necessary reconciling dollar amounts paid (i.e., payee, check number, date, amount).



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

February 22, 2002

In reply refer to: PT-5

Mr. John L. Kolleng, Vice Chairman
Longview Aluminum LLC
111 West Washington, 1655
Chicago, IL 60602

Re: Curtailment Agreement, Contract No. 01PB-10786

Dear Mr. Kolleng:

Bonneville Power Administration (BPA) has reviewed the Longview Aluminum (Longview) expenditure information you provided on February 13, 2002. To ensure that the funds BPA has paid Longview have been spent on Qualified Expenditures, as defined in the subject contract, BPA needs to review additional materials, and to receive from Longview an explanation regarding some expenditures listed in the records provided us on February 13, 2002.

The following is a summary of additional documents and ledgers we would like to review.

- Longview's expenditure information shows the company has spent \$10,113,606.18, for hourly payroll and taxes, \$7,006,971.73 for salaried payroll and taxes, and \$2,755,198.73 for retiree payouts, for the period December 18, 2001 through February 6, 2002. While we reconciled total expenditures for these costs categories from the two Union Accounts and Company account, we also need to review the source ledgers (i.e., payroll and payroll tax ledgers etc.) that support these payments.
- Longview's expenditure information shows the company has spent \$1,242,812, for insurances related to Property, Boiler & Machinery and Other. In order to verify the insurance premiums paid pertain to insurance policies involving the Longview plant, we would like to review the underlining insurance invoices that pertain to those payments and related insurance policies.
- Longview's expenditure information shows the company has spent \$979,005.02 for Repairs and Maintenance (RM), \$328,142.00 for R&M Supplies (S), \$217,473.69 for Fixed Assets (FA), and \$512,902.27 for Capital Upgrades (CU). To verify the nature of these expenditures, we would like to examine the invoices related to the following payments shown in the expenditure account worksheet for the company account.

Vendor Name	Cost Category	Check Number	Date Paid	Dollar Amount
Helser Industries ✓	RM	2492 ✓	7/10/02 ✓	\$33,750.00 ✓
Reliable Steel ✓	RM	2617 ✓	1/24/02 ✓	\$41,565.96 ✓
Protective Coating Consultants ✓	S	2218 ✓	12/5/01 ✓	\$3,843.00 ✓
PHH Leasing	FA	1434 ✓	7/10/01 ✓	\$15,605.60 ✓
CSB Systems (ERP) ✓	FA	2276 ✓	2/14/01 ✓	\$108,470.00 ✓
J.H. Kelly	CU	1239 ✓	5/29/01 ✓	\$139,367.97 ✓

- Longview's expenditure information shows the company spent \$125,000.00 and \$500,000 in loan payments to Great Lake Processing and Ableco Financing respectively. Please explain the nature of these loans. That is, are these payments being paid to a creditor, on an existing loan owed by Longview or is Longview providing finance to these companies? (Attachment #1)
- Longview's expenditure information shows the company spent \$3,280,552.97 to McCook Metals, LLC, in what is described as Acquisition investments to McCook. Please explain the nature of these payments. (Attachment #2)
- Longview's expenditure information shows the company spent \$2,505,304.76 for what is described as Other Investments. Two large payee's included in this total were Samuel & Son and Security Connecticut. Please explain the nature of the payments paid to Samuel & Son and Security Connecticut. (Attachment #2)
- During our review of Longview's Expenditure information we noted the total expenditures for Capital Upgrades (\$512,902.27) and Other Investments (\$2,505,304.76) could not be reconciled with the detail expenditures paid by \$30,350.46 (Attachment #1) and \$40,000.00 (Attachment #2) respectively. Please explain or provide us with the necessary reconciling dollar amounts paid (i.e., payee, check number, date, amount).

To facilitate any further review of the expenditure information Longview has provided, please retain in their annotated form all materials BPA has reviewed and returned to Longview.

Please call me at 503-230-4003 if you have any questions.

Sincerely,



Mark E. Miller
Account Executive

Enclosures:

N - REVIEWED INVOICE ~~FORM~~
✓ - REVIEWED CANCELLED CHECK

Attachment #1

Analysis of Fixed Assets and Capital Upgrades

Vendor Name	Check		Amount
	Number	Date	
PHH Leasing	1434	7/10/01	\$15,605.60
Dell Financial Services	1608	8/27/01	\$33,644.47
SoftMart	1685	9/13/01	\$5,287.22
Wonder ware one year life	2239	12/5/01	\$30,620.00
CSB Systems (ERP)	2276	12/14/01	\$108,470.00
CSB Systems (Support)	2277	12/14/01	\$23,846.40
			<u>\$217,473.69</u>
J.H. Kelly	1239	5/29/01	\$139,367.97
J.H. Kelly	1415	7/10/01	\$87,887.36
J.H. Kelly	1475	7/23/01	\$146,530.81
J.H. Kelly (Voided)	1415	7/30/01	(\$87,887.36)
J.H. Kelly	1516	7/30/01	\$43,943.68
J.H. Kelly	1518	8/8/01	\$43,943.68
J.H. Kelly	1561	8/8/01	\$17,796.28
J.H. Kelly	1610	8/27/01	\$90,969.39
<i>Unreconciled Difference</i>			<u>\$30,350.46</u>
			<u>\$512,902.27</u>

Analysis of Loans

Vendor Name	Check		Amount
	Number	Date	
Keilin & Co.	1308	6/14/01	\$100,000.00 7c
Ableco Finance	1746	9/25/01	\$100,000.00 15c
Great Lakes Processing	Wire	10/17/01	\$75,000.00 17c
Ableco Finance Aquatic Lease	Wire	11/15/01	\$100,000.00 20c
Great Lakes Processing	2352	12/21/01	\$50,000.00 25c
Ableco Financing	2379	12/21/01	\$100,000.00 25c
Ableco Financing - Aquatic land Lease	Wire	1/7/02	\$100,000.00 26c
			<u>\$625,000.00</u>
Great Lakes Processing			\$125,000.00
Ableco Fees			<u>\$500,000.00</u>
			<u>\$625,000.00</u>

Attachment #2

Analysis of Acquisition Investments - To McCook

Vendor Name	Check		Amount	
	Number	Date		
McCook Metals LLC	Wire	4/27/01	\$1,000,000.00	3c
McCook Metals LLC	Wire	6/29/01	\$300,000.00	8c
McCook Metals LLC	Wire	7/17/01	\$179,500.00	9c
McCook Metals LLC	Wire	7/18/01	\$168,000.00	9c
McCook Metals LLC	Wire	7/18/01	\$168,000.00	9c
McCook Metals LLC	Wire	7/20/01	\$141,930.75	9c
McCook Metals LLC	Wire	7/23/01	\$54,925.19	9c
McCook Metals LLC	Wire	7/24/01	\$149,666.29	10c
McCook Metals LLC	Wire	7/25/01	\$21,865.73	10c
McCook Metals LLC	Wire	7/26/01	\$37,790.98	10c
McCook Metals LLC	Wire	7/26/01	\$114,600.20	10c
McCook Metals LLC	Wire	7/27/01	\$66,961.77	10c
McCook Metals LLC	Wire	7/30/01	\$148,312.06	10c
McCook Metals LLC	Wire	7/31/01	\$317,000.00	10c
McCook Metals LLC	Wire	8/1/01	\$1,000,000.00	11c
McCook Metals LLC - Deposit	Wire	8/2/01	(\$588,000.00)	11c
			<u>\$3,280,552.97</u>	?

Analysis of Acquisition Investments - Other

Vendor Name	Check		Amount	
	Number	Date		
Edgar A. Stark Jr.	1093	4/25/01	\$4,386.40	3c
Samuel & Son	1288	6/7/01	\$100,000.00	6c
Security Connecticut - Lynch	1340	6/25/01	\$156,085.00	7c
Security Connecticut - McCall	1341	6/25/01	\$55,250.00	7c
Security Connecticut - Ohalski	1342	6/25/01	\$75,960.00	7c
Security Connecticut - Kolleng	1343	6/25/01	\$84,713.00	7c
Samuel & Son - Voided 8/9 - Valid 12 M.	1461	7/23/01	\$100,000.00	9c
Jenkins & Gilchrist	Wire	7/24/01	\$400,000.00	10c
Dynegy	Wire	7/26/01	\$369,400.00	10c
Samuel & Son - Stop Payment 8/9	1461	8/9/01	(\$100,000.00)	11c
Samuel & Son - Replace Stop Pymt.	Wire	8/9/01	\$100,000.00	11c
American Express	1566	8/15/01	\$15,554.08	12c
Samuel & Son	Wire	9/13/01	\$100,000.00	13c
Samuel & Son	Wire	9/26/01	\$100,000.00	15c
American Express	1841	10/12/01	\$29,469.78	16c
Samuel & Son	Wire	10/16/01	\$100,000.00	17c
Samuel & Son	Wire	10/29/01	\$150,000.00	18c
American Express	1927	11/1/01	\$24,486.50	18c
Samuel & Son	Wire	11/29/01	\$150,000.00	22c
Samuel & Son	Wire	12/12/01	\$100,000.00	24c
Samuel Son & Co.	Wire	12/13/01	\$150,000.00	26c
Samuel & Son	Wire	1/9/02	\$100,000.00	26c
Samuel & Son	Wire	2/1/02	\$100,000.00	30c
Unreconciled Difference			<u>\$40,000.00</u>	
			<u>\$2,505,304.76</u>	

1,250,000

Mr. John Kolleng
Longview Aluminum, LLC

Re: Curtailment Agreement, Contract No. 01PB-10786

We have reviewed Longview Aluminum expenditure information that you provided on February 13, 2002, and the documentation provided in response to our February 22, 2002 request for information. While the documentation provided in response to our request was helpful in resolving many of our questions, some questions have not been answered and still require clarification to ensure Longview Aluminum expenditures qualify under the subject contract.

The following is a summary of additional information and documentation we would like to review.

- Longview's expenditure information shows the company has spent \$10,113,606.18, and \$7,006,971.73 for hourly and salaried payroll and taxes for the period December 18, 2001 through February 6, 2002. While the payroll documents you provided helped us understanding the kinds costs included in the cost category payroll & taxes, and the frequency of Longview's pay periods, the documentation did not link salaried and hourly employees to the expenditure information. To help us make this link, we request that for the hourly pay period March 29, 2001 (week 13), and salaried pay periods March 31, 2001 (week 13), you provide us a list of hourly and salaried employees that shows the net amount paid to each employee. The following table summarizes net payroll paid for hourly and salaried employees for week 13. The total for hourly and salaried net pay for week 13 should equal \$95,053.57 and \$242,412.61 respectively.

	Hourly March 29, 2001 (week 13)	Salaried March 31, 2001 (week 13)
Net Payroll	\$88,601.93✓	216,191.13\$✓
Additional Payroll 3/22/01	\$6,451.64	
Supplemental		\$25,381.41
Garnishment		\$840.07
Total Net Payroll Week 13	<u>\$95,053.57</u>	<u>\$242,412.61</u>

- In our February 22, 2002 request for information we asked for an explanation regarding the nature of \$125,000 and \$500,000 in loan payments paid to Great Lake Processing and Ableco Financing respectively. We reviewed the documentation you provided in response to our request. That documentation does not answer our question. What we are seeking is an explanation that clearly describes the purpose for the payments. For example, if the payments were paid on an existing loan, we need to know the date of loan, the original amount borrowed, how the original

proceeds were used, and any amounts owing. A written response to this question would be preferred.

- In our February 22, 2002 request for information we asked for an explanation regarding expenditures totaling \$3,280,552.97 on a category of costs referred to as 'Acquisition Investments to McCook.' We reviewed the documentation you provided in response to our request, and the documentation your assistant Ms. Maida S. Kelly (Paralegal) asked us to examine. While the documentation you provided infers a purpose for the payments, it did not clearly describe that purpose, nor did it answer our question. What we are seeking is an explanation that clearly describes the purpose for the payments. For example, if the payments were paid on an existing loan (note etc.), we need to know the date of the original loan, the purpose for the original loan, how much has been paid on the loan, and any amounts owing. A written response to this question would be preferred.
- In our February 22, 2002 request for information we asked for an explanation regarding the nature of payments paid to Samuel & Son and Security Connecticut that were included in expenditure summary cost category 'Other Investments.' While you provided information regarding Security Connecticut (i.e., key officers life insurance premium payments), you failed to provide information regarding Samuel & Son (\$1,250,000). Please provide documentation and an explanation that describes the purpose and nature for the payments paid to Samuel & Son.
- In our February 22, 2002 request for information we asked to review the underlining insurance invoices and policies pertaining to various categories of insurance that totaled \$1,242,812. In response to our request you provided us with invoices and policy documentation pertaining to various insurers. Included in that documentation was a schedule showing six payments to Imperial A.I. Finance that totaled \$66,211.83. However, there was no invoices or insurance policies included in the documentation that supported these payments. Please provide invoice documentation supporting the six payments to Imperial A.I. Finance. The following is a summary of the six payment schedule that was included in your documentation.

	Date	Amount
Imperial A.I. Finance	9/7/01	\$14,749.88
Imperial A.I. Finance	9/14/01	\$10,292.39
Imperial A.I. Finance	10/12/01	\$10,292.39
Imperial A.I. Finance	11/15/01	\$10,292.39
Imperial A.I. Finance	12/17/01	\$10,292.39
Imperial A.I. Finance	1/15/02	\$10,292.39
		<u>\$66,211.83</u>

- In order to reconcile all receipts and disbursements remaining, we request to review all bank statements for the period February 1 through June 30, 2002.

To facilitate any further review of the documentation Longview has provided, please retain in their annotated form all material BPA has reviewed and returned to Longview.

Please call me at 503-230-4003 if you have any questions.

Sincerely,

Mark E. Miller
Account Executive.

LongView Aluminum Company
Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:		1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures
Payroll & Taxes		\$7,273,913.18 F	\$2,136,761.01 F	\$702,931.99 F	\$10,113,606.18 [4]
Retiree Payout		\$1,500,000.00 F		\$1,255,198.73 F	\$2,755,198.73 [5]
Hourly Workmans Compensation		\$52,280.52 F		\$67,629.57 F	\$119,910.09
Hourly 401K		\$1,074,374.02 F	\$220,403.71 F	\$10.85	\$1,294,788.58
Hourly Pension		\$280,825.00 F		\$280,825.00	\$561,650.00
Hourly Union Dues		\$110,781.70 F	\$8,445.08 F	\$29,320.29	\$148,547.07
Hourly Credit Union		\$163,357.82 F		\$127,326.48	\$290,684.30
Hourly Other Payroll Deductions		\$30,476.95 F	\$3,862.15 F	\$4,360.17	\$38,699.27
Hourly Tuition		\$3,788.00 F	\$797.70 F	\$1,908.04	\$6,493.74
Hourly Medical		\$2,913,063.14 F	\$323,725.65 F	\$332,771.46	\$3,569,560.25
Hourly Dental		\$265,838.97 F	\$24,693.77 F	\$25,249.93	\$315,782.67
Hourly Life Insurance		\$87,349.50 F	\$18,726.75 F		\$106,076.25
Other		\$877.42 F			\$877.42
Hourly VEBA				\$590,190.00	\$590,190.00
Salaries: Payroll & Taxes				\$7,006,971.73	\$7,006,971.73 [6]
Salaries Workmans Compensation				\$74,567.39	\$74,567.39
Salaries: 401K				\$496,270.21	\$496,270.21
Salaries Credit Union				\$126,432.60	\$126,432.60
Salaries: Other Pd Deductions				\$7,945.76	\$7,945.76
Salaries Tuition				\$3,078.62	\$3,078.62
Salaries Medical				\$727,112.47	\$727,112.47
Salaries Dental				\$127,007.95	\$127,007.95
Salaries Life Insurance				\$114,197.15	\$114,197.15
		\$13,756,926.22 [3]	\$2,737,415.82 [2]	\$12,101,306.39 [1]	\$28,595,648.43 63.16%

LongView Aluminum Company

Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:		1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures
West Water Plan				\$42,102.89	\$42,102.89
Disposal Fees				\$164,716.94	\$164,716.94
Employee Ben/Activity				\$27,126.10	\$27,126.10
Environmental				\$66,449.03	\$66,449.03
Freight				\$55,839.34	\$55,839.34
Ground Keepers				\$11,630.89	\$11,630.89
Guard				\$26,995.62	\$26,995.62
Insurance: Property				\$650,000.00	
Insurance: Boiler & Machinery				\$196,050.00	
Insurance: Other				\$396,762.00	\$1,242,812.00 [15]
Manufacturing Supplies				\$979,005.02	\$979,005.02 [7]
Repairs & Maintenance				\$328,142.90	\$328,142.90 [8]
R&M Supplies				\$170,346.97	\$170,346.97
Sampling & Testing				\$48,521.89	\$48,521.89
Training				\$9,998.26	\$9,998.26
Business Licenses				\$7,214.23	\$7,214.23
Data Processing				\$40,440.79	\$40,440.79
Travel				\$143,004.28	\$143,004.28
M&E				\$6,597.17	\$6,597.17
Meetings & Seminars				\$2,125.15	\$2,125.15
Natural Gas				\$278,764.47	\$278,764.47
Office Expense				\$15,796.45	\$15,796.45
Payroll Services				\$56,062.32	\$56,062.32
Postage				\$8,057.87	\$8,057.87
Outside Services				\$58,401.22	\$58,401.22
Rental & Miscellaneous Equipment				\$24,650.45	\$24,650.45
Taxes & Use				\$18,729.18	\$18,729.18
Taxes Other				\$14,302.32	\$14,302.32
Telephone				\$27,982.24	\$27,982.24
Bank Charges				\$7,619.85	\$7,619.85
		\$0.00	\$0.00	\$3,883,435.84 [1]	\$3,883,435.84 8.58%

LongView Aluminum Company
Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:		1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures
Power				\$1,416,544.00 F	\$1,416,544.00
Power Transmission				\$510,186.00 F	\$510,186.00
Fixed Assets		\$0.00	\$0.00	\$1,926,730.00 [1]	\$1,926,730.00 4.26%
Capital Upgrades				\$217,474.09 F	\$217,474.09 [9]
				\$512,902.27	\$512,902.27 [10] [14]
Loan: Ableco Fees		\$0.00	\$0.00	\$730,376.36 [1]	\$730,376.36 1.61%
Loan: Great Lake Processing				\$500,000.00 F	\$500,000.00 [11]
				\$125,000.00 F	\$125,000.00 [11]
		\$0.00	\$0.00	\$625,000.00 [1]	\$625,000.00 1.38%
Professional Fees: Legal				\$1,457,944.44	\$1,457,944.44
Professional Fees: Accounting				\$721,700.00	\$721,700.00
Professional Fees: Environmental				\$298,625.35	\$298,625.35
Professional Fees: Other				\$302,024.90	\$302,024.90
Acquisition Investments - To McCook		\$0.00	\$0.00	\$2,780,294.69 [1]	\$2,780,294.69 6.14%
Acquisition Investments - Other				\$3,280,552.97 F	\$3,280,552.97 [12]
Uncategorized Costs				\$2,505,304.76	\$2,505,304.76 [13] [14]
				\$361,683.97	\$361,683.97
		\$0.00	\$0.00	\$6,147,541.70	\$6,147,541.70 13.58%
Total Company Expenditures		\$13,756,926.22	\$2,737,415.82	\$28,194,684.98 [1]	\$44,689,027.02 98.71%

Payments Paid by BPA

Union Accounts Payments: (\$17,233,334.00 + \$3,100,000.00 + \$6,216,666.00)

Less Amount Paid Directly to USWA (Union):

Company Account Payments

Payments Paid by BPA to Longview Aluminum Through January 21, 2002

\$26,550,000.00 [1]	\$23,450,000.00
(\$3,100,000.00) [1]	\$21,822,500.00 [1]
	\$45,272,500.00 100.00%

Longview Aluminum Company Expenditures for the

Period March 22, 2001 through February 6, 2002

Analysis of Costs

Analysis of Power Purchases

Vendor Name	Check Number	Date	Amount
BPA	1042M	4/9/01	\$136,142.00
BPA	Wire	5/7/01	\$457,402.00
BPA	Wire	6/18/01	\$157,150.00
BPA	Wire	6/27/01	\$130,800.00
BPA	Wire	7/30/01	\$114,850.00
BPA	Wire	9/13/01	\$97,350.00
BPA	Wire	10/12/01	\$94,400.00
BPA	Wire	12/26/01	\$108,050.00
BPA	Wire	1/16/02	\$120,400.00
			<u><u>\$1,416,544.00</u></u>

Analysis of Transmission Purchases

	Check Number	Date	Amount
BPA	Wire	11/6/01	\$85,600.00
BPA	Wire	12/11/01	\$140,566.00
BPA	Wire	12/26/01	\$141,471.00
BPA	Wire	1/23/02	\$142,549.00
			<u><u>\$510,186.00</u></u>

Total BPA Purchases

\$1,926,730.00

Analysis of Fixed Assets and Capital Upgrades

Vendor Name	Check Number	Date	Amount
PHH Leasing	1434	7/10/01	\$15,605.60
Dell Financial Services	1608	8/27/01	\$33,644.47
SoftMart	1685	9/13/01	\$5,287.22
Wonder ware one year life	2239	12/5/01	\$30,620.00
CSB Systems (ERP)	2276	12/14/01	\$108,470.00
CSB Systems (Support)	2277	12/14/01	\$23,846.40
			<u><u>\$217,473.69</u></u>

[9] Documentation
Reviewed

[9] Doc. Reviewed

[9] Doc. Reviewed

J.H. Kelly	1239	5/29/01	\$139,367.97	[10] Doc. Reviewed
J.H. Kelly	1415	7/10/01	\$87,887.36	[10] Doc. Reviewed
J.H. Kelly	1475	7/23/01	\$146,530.81	[10] Doc. Reviewed
J.H. Kelly (Voided)	1415	7/30/01	(\$87,887.36)	[10] Doc. Reviewed
J.H. Kelly	1516	7/30/01	\$43,943.68	[10] Doc. Reviewed
J.H. Kelly	1518	8/8/01	\$43,943.68	[10] Doc. Reviewed
J.H. Kelly	1561	8/8/01	\$17,796.28	[10] Doc. Reviewed
J.H. Kelly	1610	8/27/01	\$90,969.39	[10] Doc. Reviewed
J.H. Kelly	1051	4/18/01	\$30,350.46	[10] Doc. Reviewed
			<u><u>\$512,902.27</u></u>	

Longview Aluminum Co
Analysis of Costs

Analysis of Power Purchases			
Vendor Name	Check Number	Date	Amount
BPA	1042M	4/9/01	\$136,142.00
BPA	Wire	5/7/01	\$457,402.00
BPA	Wire	6/18/01	\$157,150.00
BPA	Wire	6/27/01	\$130,800.00
BPA	Wire	7/30/01	\$114,850.00
BPA	Wire	9/13/01	\$97,350.00
BPA	Wire	10/12/01	\$94,400.00
BPA	Wire	12/26/01	\$108,050.00
BPA	Wire	1/16/02	\$120,400.00
			<u>\$1,416,544.00</u>

Analysis of Transmission Purchases			
	Check Number	Date	Amount
BPA	Wire	11/6/01	\$85,600.00
BPA	Wire	12/11/01	\$140,566.00
BPA	Wire	12/26/01	\$141,471.00
BPA	Wire	1/23/02	\$142,549.00
			<u>\$510,186.00</u>
Total BPA Purchases			<u>\$1,926,730.00</u>

Analysis of Fixed Assets			
Vendor Name	Check Number	Date	Amount
PHH Leasing	1434	7/10/01	\$15,605.60
Dell Financial Services	1608	8/27/01	\$33,644.47
SoftMart	1685	9/13/01	\$5,287.22
Wonder ware one year life	2239	12/5/01	\$30,620.00
CSB Systems (ERP)	2276	12/14/01	\$108,470.00
CSB Systems (Support)	2277	12/14/01	\$23,846.40
			<u>\$217,473.69</u>
J.H. Kelly	1239	5/29/01	\$139,367.97
J.H. Kelly	1415	7/10/01	\$87,887.36
J.H. Kelly	1475	7/23/01	\$146,530.81
J.H. Kelly (Voided)	1415	7/30/01	(\$87,887.36)
J.H. Kelly	1516	7/30/01	\$43,943.68
J.H. Kelly	1518	8/8/01	\$43,943.68
J.H. Kelly	1561	8/8/01	\$17,796.28
J.H. Kelly	1610	8/27/01	\$90,969.39
Unreconciled Difference			\$30,350.46
			<u>\$512,902.27</u>

Longview Aluminum Co
Analysis of Costs

Analysis of Loans

Vendor Name	Check Number	Date	Amount	
Keilin & Co.	1308	6/14/01	\$100,000.00	7c
Ableco Finance	1746	9/25/01	\$100,000.00	15c
Great Lakes Processing	Wire	10/17/01	\$75,000.00	17c
Ableco Finance Aquatic Lease	Wire	11/15/01	\$100,000.00	20c
Great Lakes Processing	2352	12/21/01	\$50,000.00	25c
Ableco Financing	2379	12/21/01	\$100,000.00	25c
Ableco Financing - Aquatic land Lease	Wire	1/7/02	\$100,000.00	26c
			<u>\$625,000.00</u>	
Great Lakes Processing			\$125,000.00	
Ableco Fees			<u>\$500,000.00</u>	
			<u>\$625,000.00</u>	

Analysis of Acquisition Investments - To McCook

Vendor Name	Check Number	Date	Amount	
McCook Metals LLC	Wire	4/27/01	\$1,000,000.00	3c
McCook Metals LLC	Wire	6/29/01	\$300,000.00	8c
McCook Metals LLC	Wire	7/17/01	\$179,500.00	9c
McCook Metals LLC	Wire	7/18/01	\$168,000.00	9c
McCook Metals LLC	Wire	7/18/01	\$168,000.00	9c
McCook Metals LLC	Wire	7/20/01	\$141,930.75	9c
McCook Metals LLC	Wire	7/23/01	\$54,925.19	9c
McCook Metals LLC	Wire	7/24/01	\$149,666.29	10c
McCook Metals LLC	Wire	7/25/01	\$21,865.73	10c
McCook Metals LLC	Wire	7/26/01	\$37,790.98	10c
McCook Metals LLC	Wire	7/26/01	\$114,600.20	10c
McCook Metals LLC	Wire	7/27/01	\$66,961.77	10c
McCook Metals LLC	Wire	7/30/01	\$148,312.06	10c
McCook Metals LLC	Wire	7/31/01	\$317,000.00	10c
McCook Metals LLC	Wire	8/1/01	\$1,000,000.00	11c
McCook Metals LLC - Deposit	Wire	8/2/01	(\$588,000.00)	11c
			<u>\$3,280,552.97</u>	

EXAMPLE ATTACHMENT

Longview Aluminum

Summary of Qualified Expenditures (Contract O1PB-10786 Section 10)
for the Period: March 20, 2001 through January 20, 2002

Qualifying Contract Section.	Description of Qualified Expenditures	Amount of Qualified Expenditures from Company Proceeds Accounts. [1]
10(a)(1)	<ul style="list-style-type: none"> • Compensation Benefits Paid • Pension Fund Payments • Job Placement Service Costs 	<p>\$1,000,000</p> <p>500,000</p> <p>100,000</p>
10(a)(2)	<ul style="list-style-type: none"> • Cancellation penalty related to Longview Aluminum Companies Contract with XYZ Company. 	30,000,000
10(a)(3)	<ul style="list-style-type: none"> • Unrecoverable Operating Overhead Costs to do reduced operating levels • Accrued Interest Expense and principal payments on long-term debt. 	<p>15,000,000</p> <p>45,000,000</p>
10(b)(1)	<ul style="list-style-type: none"> • Site acquisition, licensing fees for gas fired turbine generators. 	60,000,000
10(b)(3)	<ul style="list-style-type: none"> • Costs associated with energy conservation upgrades at the Longview facility. 	1,500,000
	Total Expenditures and Liabilities incurred by Longview Aluminum that qualify under Section 10 of the above named contract for the above named period.	<u>\$153,100,000</u>
	[1] The company should maintain detail documentation including invoices and evidence of payment for each summarized category.	

To the best of my knowledge and belief the above expenditures and accrued expenses qualify under Section 10 of Contract O1PB-10786 between the Bonneville Power Administration and Longview Aluminum, LLC, and have been or will be paid by Longview Aluminum LLC .

John L. Kolleng, Vice Chairman, Longview Aluminum, LLC Date

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Acquisition Investments - Other			
Vendor Name	Check Number	Date	Amount
Edgar A. Stark Jr.	1093	4/25/01	\$4,386.40
Samuel & Son	1288	6/7/01	\$100,000.00
Security Connecticut - Lynch	1340	6/25/01	\$156,085.00
Security Connecticut - McCall	1341	6/25/01	\$55,250.00
Security Connecticut - Ohalski	1342	6/25/01	\$75,960.00
Security Connecticut - Kolleng	1343	6/25/01	\$84,713.00
Samuel & Son - Voided 8/9 - Valid 12 M.	1461	7/23/01	\$100,000.00
Jenkins & Gilchrist	Wire	7/24/01	\$400,000.00
Dynegy	Wire	7/26/01	\$369,400.00
Samuel & Son - Stop Payment 8/9	1461	8/9/01	(\$100,000.00)
Samuel & Son - Replace Stop Pymt.	Wire	8/9/01	\$100,000.00
American Express	1566	8/15/01	\$15,554.08
Samuel & Son	Wire	9/13/01	\$100,000.00
Samuel & Son	Wire	9/26/01	\$100,000.00
American Express	1841	10/12/01	\$29,469.78
Samuel & Son	Wire	10/16/01	\$100,000.00
Samuel & Son	Wire	10/29/01	\$150,000.00
American Express	1927	11/1/01	\$24,486.50
Samuel & Son	Wire	11/29/01	\$150,000.00
Samuel & Son	Wire	12/12/01	\$100,000.00
Samuel Son & Co.	Wire	12/13/01	\$150,000.00
Samuel & Son	Wire	1/9/02	\$100,000.00
Samuel & Son	Wire	2/1/02	\$100,000.00
LECG	1072	4/18/01	\$40,000.00
			<u><u>\$2,505,304.76</u></u>

Need explanation of Samuel & Son payments

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Loans

Vendor Name	Check Number	Date	Amount
Keilin & Co.	1308	6/14/01	\$100,000.00
Ableco Finance	1746	9/25/01	\$100,000.00
Great Lakes Processing	Wire	10/17/01	\$75,000.00
Ableco Finance Aquatic Lease	Wire	11/15/01	\$100,000.00
Great Lakes Processing	2352	12/21/01	\$50,000.00
Ableco Financing	2379	12/21/01	\$100,000.00
Ableco Financing - Aquatic land Lease	Wire	1/7/02	\$100,000.00
			<u><u>\$625,000.00</u></u>

Great Lakes Processing (Inconsistent Information)	\$125,000.00	[11]	Explan. Requested
Ableco Fees (5 late fee payments on loan)	\$500,000.00	[11]	Explan. Requested
	<u><u>\$625,000.00</u></u>		

Analysis of Acquisition Investments - To McCook

Vendor Name	Check Number	Date	Amount	
McCook Metals LLC	Wire	4/27/01	\$1,000,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	6/29/01	\$300,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/17/01	\$179,500.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/18/01	\$168,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/18/01	\$168,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	7/20/01	\$141,930.75	[12] Explan. Requested
McCook Metals LLC	Wire	7/23/01	\$54,925.19	[12] Explan. Requested
McCook Metals LLC	Wire	7/24/01	\$149,666.29	[12] Explan. Requested
McCook Metals LLC	Wire	7/25/01	\$21,865.73	[12] Explan. Requested
McCook Metals LLC	Wire	7/26/01	\$37,790.98	[12] Explan. Requested
McCook Metals LLC	Wire	7/26/01	\$114,600.20	[12] Explan. Requested
McCook Metals LLC	Wire	7/27/01	\$66,961.77	[12] Explan. Requested
McCook Metals LLC	Wire	7/30/01	\$148,312.06	[12] Explan. Requested
McCook Metals LLC	Wire	7/31/01	\$317,000.00	[12] Explan. Requested
McCook Metals LLC	Wire	8/1/01	\$1,000,000.00	[12] Explan. Requested
McCook Metals LLC - Deposit	Wire	8/2/01	(\$588,000.00)	[12] Explan. Requested
			<u><u>\$3,280,552.97</u></u>	

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Insurance Payments:

Vendor Name	Invoice Number	Invoice Date	Amount	
Liability	4666	3/19/01	\$25,000.00	[15]
Property	4667	3/19/01	\$162,500.00	[15]
Enviornmental / Pollution	4668	3/19/01	\$23,642.00	[15]
Umbrella	4669	3/19/01	\$14,375.00	[15]
Crime	4670	3/19/01	\$2,735.00	[15]
Fiduciary	4671	3/19/01	\$787.50	[15]
Directors & Officers	4672	3/19/01	\$4,024.33	[15]
Fees & Taxes	4673	3/19/01	\$695.00	[15]
Boiler & Machinery	4674	3/19/01	\$49,067.00	[15]
Auto	4676	3/19/01	\$3,500.00	[15]
			\$286,325.83	
Imperial Premium Finance		3/27/01	\$89,188.04	[15]
Imperial Premium Finance		4/27/01	\$89,188.04	[15]
Imperial Premium Finance		5/27/01	\$89,188.04	[15]
Imperial Premium Finance		6/27/01	\$89,188.04	[15]
Imperial Premium Finance		7/27/01	\$89,188.04	[15]
Imperial Premium Finance		8/27/01	\$89,188.04	[15]
Imperial Premium Finance		9/27/01	\$89,188.04	[15]
Imperial Premium Finance		10/27/01	\$89,188.04	[15]
Imperial Premium Finance		11/27/01	\$89,188.04	[15]
			\$802,692.36	
Eugene Tkalitch	7676	3/19/01	\$8,333.00	[15]
Eugene Tkalitch	4681	4/1/01	\$8,333.00	[15]
Eugene Tkalitch	4688	3/30/01	(\$118.00)	[15]
Eugene Tkalitch	4720	5/27/01	\$8,333.00	[15]
Eugene Tkalitch	4749	6/27/01	\$8,333.00	[15]
Eugene Tkalitch	4750	6/27/01	\$3,500.00	[15]
Eugene Tkalitch	4769	6/8/01	\$1,355.50	[15]
Eugene Tkalitch	4781	6/30/01	\$8,333.00	[15]
Eugene Tkalitch	4819	7/18/01	\$300.00	[15]
Eugene Tkalitch	4833	7/31/01	\$8,333.00	[15]
Eugene Tkalitch	4862	8/27/01	\$8,333.00	[15]
Eugene Tkalitch	4863	8/27/01	\$3,772.25	[15]
Eugene Tkalitch	4903	10/27/01	\$8,333.00	[15]
Eugene Tkalitch	4981	10/27/01	\$8,333.00	[15]
Eugene Tkalitch	5008	11/27/01	\$3,772.25	[15]
			\$87,579.00	
Imperial A.I. Finance		9/7/01	\$14,749.88	[15] Request Documentation
Imperial A.I. Finance		9/14/01	\$10,292.39	[15] Request Documentation
Imperial A.I. Finance		10/12/01	\$10,292.39	[15] Request Documentation
Imperial A.I. Finance		11/15/01	\$10,292.39	[15] Request Documentation
Imperial A.I. Finance		12/17/01	\$10,292.39	[15] Request Documentation
Imperial A.I. Finance		1/15/02	\$10,292.39	[15] Request Documentation
			\$66,211.83	
Insurances:			\$1,242,809.02	

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002**

Analysis of Costs

Analysis of Hourly Payroll

Month	Gross Payroll	Net Payroll	Total Hourly Payroll & Taxes
March 4, 2001 (Week 10)	\$374,132.09	\$225,039.03	\$337,968.97
Voided March Checks	(\$48,699.55)	(\$31,045.70)	(\$47,553.26)
Reissued Checks	\$40,341.46	\$25,186.59	\$38,067.49
March 15, 2001 (Week 11)	\$395,915.43	\$248,804.01	\$367,675.31
Additional Payroll 3/15	\$748.31	\$939.45	\$1,045.68
March 22, 2001 (Week 12)	\$351,865.27	\$145,084.14	\$232,827.43
Additional Payroll 3/22	\$973.76	(\$542.73)	(\$493.78)
March 29, 2001 (Week 13)	\$357,950.86	\$88,601.93	\$109,597.57
Additional Payroll 3/22	\$6,333.84	\$6,451.64	\$6,528.69
Miscellaneous Difference		\$40.00	\$40.00
Mar-01	\$1,479,561.47	\$708,558.36	\$1,045,704.10
Apr-01	\$1,551,496.39	\$377,020.53	\$567,787.88
SUTA Quarterly Taxes			\$13,574.67
May-01	\$1,785,949.12	\$345,117.64	\$666,552.59
Jun-01	\$1,441,970.24	\$257,697.55	\$523,184.90
Jul-01	\$1,442,050.50	\$257,192.52	\$542,926.67
SUTA Quarterly Taxes			\$37,076.11
Aug-01	\$1,808,428.88	\$314,572.80	\$682,784.29
Sep-01	\$1,429,657.70	\$270,154.25	\$592,973.15
Oct-01	\$1,745,517.85	\$550,554.39	\$1,217,777.36
SUTA Quarterly Taxes			\$10,891.67
Nov-01	\$1,392,285.03	\$552,177.30	\$1,248,621.25
Dec-01	\$1,399,096.20	\$569,831.73	\$1,103,106.20
Taxes Not Deposited do to Overpayment with IRS			
Jan-02	\$1,741,852.31	\$745,736.31	\$1,559,689.47
SUTA Quarterly Taxes			\$22,044.32
Feb-02	\$352,885.41	\$157,284.60	\$325,690.44
		\$5,105,897.98	\$10,160,385.07
Differences:			(\$46,778.89)
Retirees Payout April 2001		\$1,607,396.85	
	\$17,570,751.10	\$6,713,294.83	\$10,113,606.18

[6] Summary of Net
Payroll Requested

[6] Summary of Net
Payroll Requested

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Salaried Payroll

Month	Gross Payroll	Net Payroll	Total Hourly Payroll & Taxes
March 15, 2001 (Week 11)	\$305,389.88	\$192,925.24	\$297,053.33
March 31, 2001 (Week 13)	\$112,546.33	\$216,131.15	\$132,694.37
Supplemental (Week 13)	\$11,198.77	\$25,131.21	\$37,347.11
Garnishment (Week 13)		\$346.07	\$346.07
Mar-01	\$682,134.63	\$435,337.85	\$667,935.39
Apr-01	\$645,040.77	\$312,999.44	\$622,269.43
SUTA Quarterly Taxes			\$9,140.60
May-01	\$694,163.36	\$177,816.73	\$629,290.86
Jun-01	\$613,186.00	\$132,567.55	\$548,269.16
Jul-01	\$667,978.70	\$177,671.45	\$623,082.78
SUTA Quarterly Taxes			\$19,067.90
Aug-01	\$649,511.77	\$142,430.78	\$583,538.90
Sep-01	\$649,835.98	\$159,672.19	\$605,950.81
Oct-01	\$647,985.76	\$153,833.12	\$622,792.83
SUTA Quarterly Taxes			\$4,519.10
Nov-01	\$634,604.98	\$150,201.46	\$615,834.77
Dec-01	\$617,485.26	\$152,753.25	\$516,072.03
Jan-02	\$512,348.18	\$104,172.54	\$500,808.55
SUTA Quarterly Taxes			\$8,788.45
FICA Refund to Hourly Employees			\$362,260.17
FICA Refund to Salaried Employees			\$60,756.05
Miscellaneous Difference			\$6,593.95
	\$7,014,275.39	\$2,099,456.36	\$7,006,971.73

[4] Summary of Net
Payroll Requested

[4] Summary of Net
Payroll Requested

[4] Summary of Net
Payroll Requested

**LongView Aluminum Company Company Expenditures
for the Period March 22, 2001 through February 6, 2002
Analysis & Review Notes**

F - Footed Longview Aluminum worksheet. Noted detail expenditures/transfers agreed to footed totals.

[1] - Agreed to Longview Aluminum disbursement summary & BPA Payment Reconciliation worksheets.

[2] - Agreed to Longview Aluminum Second Union Account payment schedule.

[3] - Agreed to Longview Aluminum First Union Account payment schedule net of unclassified bank transfers.
(\$16,199,126.22 - \$2,442,200.00) = \$13,756,926.22.

[4] - Verified internal consistency of document data for payroll periods 3/8/01 (Week 10), 3/15/01 (Week 11), 3/29/01 (Week 13), 8/2/01 (Week 31).

Vouched monthly summary detail totals to the period summary 3/2/01 through 2/7/02.

Footed the period summary totals for gross pay, net checks paid, total tax liability, ACH direct deposits, garnishment liability, total liability, adjusted payroll liability, SUTA quarterly taxes, and total hourly payroll and taxes. Noted total hourly payroll and taxes per the period summary agreed to the disbursement summary total for hourly payroll & taxes. (\$10,113,606.18). No significant exceptions noted.

Requested a list of employees paid for week 13 (March 15, 2001) that shows net paid by employee that totals \$216191.13 + \$25381.47 + \$840.07 = \$242,412.67.

[5] - Reviewed April 5, 2001 retiree payout lead sheet. Noted Gross Retiree Payout equaled \$2,550,000.00, Net checks equaled \$1,607,396.85, and Total Liability agreed to disbursement summary total. (\$2,755,198.73).

[6] - Verified internal consistency of document data for pay periods 3/15/01 (Week 11), and 3/31/01 (Week 13).

Vouched monthly summary detail totals to the period summary March 2001 through January 2002.

Footed the period summary totals for gross pay, net checks, total tax liability, ACH direct deposits, garnishment liability, total liability, adjusted payroll liability and salaried payroll and taxes.

Noted total salaried payroll and taxes per the period summary agreed to the disbursement summary total for salaried payroll and taxes. No significant exceptions noted.

Requested a list of employees paid for week 13 (March 15, 2001) that shows net paid by employee that totals \$88,601.93 + \$6,451.64 = \$95,053.57.

[7] - Reviewed Reliable Steel invoice (Inv. #3288/12/31/01) and check copy (chk #5617/1/24/02) for \$41,565.96.

Reviewed Helser Industries invoice (Inv. #17490/12/20/01) and check copy (chk #2492/1/10/02) for \$33,750.00. Noted invoice, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[8] - Reviewed Protective Coating Consultants invoice (Inv. #16776/11/14/01) and check copy (chk#2218/12/05/01) for \$3,843.00. Noted invoice, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[9] - Reviewed PHH Vehicle Management Services vehicle sales documents (for three vehicles) & related correspondence, check copy (chk#1434). Noted sales invoices total, check copy and disbursement summary dollar amounts agreed. The purchase price for each vehicle showed \$5,650.20, \$7,533.20, \$422.2 = \$15,605.60. No exceptions noted. Reviewed CSB Systems invoice (inv.#8428/1/29/02), quote sheets/ordering document (12/10/01), check copy (chk#2276/12/14/01). Noted quote sheet total, check copy, and disbursement summary dollar amounts agreed. No exception noted.

[10] - Reviewed J.H. Kelly Building Trust Invoice (inv# KW10247/3/23/01), check copy (chk#1239/5/29/01), and supporting invoice documentation. Noted invoice, check copy and disbursement summary dollar amounts agreed. No exceptions noted.

**LongView Aluminum Company Company Expenditures
for the Period March 22, 2001 through February 6, 2002
Analysis & Review Notes**

[11] - Reviewed borrowing agreement dated February 26, 2001 between Longview Aluminum, LLC and ABLECO Finance LLC. Noted original loan was \$155,000,000.00. Also reviewed Agent Fee Letter dated 2/26/01 making reference to \$100,000 Administrative Agent fee payable on the last business day of each calendar quarter. Reviewed Longview Aluminum reference schedule. That schedule infers that the two payments paid to Great Lake Processing were infact payments to Ableco. However, the attached documentation provided by Longview Aluminum including wire transfer dates appears to be inconsistent with original disbursement summary dates. That is, GLP Wire / Date per disbursement summary shows 10/17/01 for \$75,000 and check no 2352 on 12/21/01 for \$50,000. The provided documentation shows wire transfers occurred on 1/31/01 for both amounts. The documentation provided does not clearly answer the initial question/concern. Request a clear and consise explanation for the two payment amounts of \$125,000 and \$500,000 respectively too Great Lake Processing and Abelco.

[12] - Reviewed various legal documentation provided. The documentation does not answer the question what is the basic nature/purpose for the category of costs referred to as 'Acquisition Investments - To McCook. Please provide a consise and to the point explanation for the \$3,280,552.97 payments to McCook Metals LLC.

[13] - Reviewed Life Insurance Premium Payments paid to Security Connecticut (\$ 372,008.00) as follows: (a) \$156,085.00 for annual premium on Lynch (Policy Number SC23404256 / Check No. 25438 / Chk Date 12/29/00); (b) \$55,250.00 for annual premium James McCa (Policy Number SC2340409G / Check No. 25453 / Chk Date 12/29/00); (c) \$75,960.00 for annual premium M. Ochalski (Policy Number SC2340417G / Check No. 25451 / Chk Date 12/29/00); (d) \$84713.00 for annual premium J. Koll (Policy Number SC2340415M2001 / Check No. 26262 / Chk Date 2/14/01). No documentation was provided regarding Samuel & Son. Total payments paid to Samuel & Son were \$1,250,000.

[14] - Unreconciled amounts were provided as follows: Other Acquisition Costs \$40,000.00 4/18/01 Check No. 1072. Capital Projects \$30,350.46 4/18/01 Check No. 1051. See Analysis of Costs.

[15] - Reviewed nine invoices dated 3/19/01 for [4666 (\$25,003.00), 4667 (\$162,500.00), 4668 (\$23,642.00), 4669 (\$14,375.00), 4670 (\$2,735.00), 4671 (\$787.50), 4672 (\$4,024.33), 4673 (\$695.00), 4674 (\$49,067.00), 4676 (\$3,500.00)] that totaled \$286,328.83 that were paid to Eugene Tkaltch & Associated, Ltd. pertaining to various insurance premiums and policies.

Reviewed nine premium/installment invoices for \$89,188.04 paid to Imperial A.I. Credit Companies (premium periods 3/27/01, 4/27/01, 5/27/01, 6/27/01, 7/27/01, 8/27/01, 9/27/01, 10/27/01, 11/27/01) that totaled \$802,692.36.

Reviewed fifteen invoices paid to Eugene Tkaltch & Associates, Ltd. (Inv# 7676-3/19/01 (\$8,333.00), Inv.# 4681-4/1/01 (\$8,333.00), Inv.# 4688-3/30/01 (Credit \$118.00), Inv.# 4720-5/27/01 (\$8,333.00), Inv.# 4749-6/27/01 (\$8,333.00), Inv.# 4750-6/27/01 (\$3,500.00), Inv.# 4769-6/8/01 (\$1,355.50), Inv.# 4781-6/30/01 (\$8,333.00), Inv.# 4819-7/18/01 (\$300.00), Inv.# 4833-7/31/01 (\$8,333.00), Inv.# 4862-8/27/01 (\$8,333.00), Inv.# 4863-8/27/01 (\$3,772.25), Inv.# 4903-10/27/01 (\$8,333.00), Inv.# 4981-10/29/01 (\$8,333.00), Inv.# 5008-11/27/01 (\$3,772.25).

Additional Insurance Review: Noted insurance policies were available for review from the following insurers:

- (a) CHUBB (Policy No. 3576-75-43 CHI Liability Insurance);
- (b) CHUBB (Policy Number 8185-03-81 Executive Protection Policy); CHUBB (Policy Number 7640-15-00 Boiler & Machinery);
- (c) CHUBB (Policy Number 8185-04-55 Liability Insurance);
- (d) CHUBB (Policy Number 7350-74-93 Business Auto Policy);
- (e) Industrial Risk Insurers (Policy Number 31-3-68627);
- (f) Indian Harbor Insurance Company (Policy Number PEC0008721 Liability Insurance);
- (g) Fireman's Fund Insurance Companies (Policy Number XYZ-000-8448-5556).

A schedule of premium payments to Imperial A.I. Finance that totaled \$66,211.83 was provided without explanatory invoices/check copies.

Other Review Procedures Performed: On a select randon basis, traced deposits and disbursements from the expenditure information to the various bank statements provided. Traced BPA payment amounts to related expenditure information and bank statements provided.

LongView Aluminum Company
Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:	1st. Union Acct. #77090793 (3/22/01 - 12/18/01)		2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)		Company Account #3751628482 (2/16/01 - 2/6/02)		Total Company Expenditures	
Payroll & Taxes	\$7,273,913.18	F	\$2,136,761.01	F	\$702,931.99	F	\$10,113,606.18	[4]
Retiree Payout	\$1,500,000.00	F			\$1,255,198.73	F	\$2,755,198.73	[5]
Hourly Workmans Compensation	\$52,280.52	F			\$67,629.57	F	\$119,910.09	
Hourly 401K	\$1,074,374.02	F	\$220,403.71	F	\$10.85		\$1,294,788.58	
Hourly Pension	\$280,825.00	F			\$280,825.00		\$561,650.00	
Hourly Union Dues	\$110,781.70	F	\$8,445.08	F	\$29,320.29		\$148,547.07	
Hourly Credit Union	\$163,357.82	F			\$127,326.48		\$290,684.30	
Hourly Other Payroll Deductions	\$30,476.95	F	\$3,862.15	F	\$4,360.17		\$38,699.27	
Hourly Tuition	\$3,788.00	F	\$797.70	F	\$1,908.04		\$6,493.74	
Hourly Medical	\$2,913,063.14	F	\$323,725.65	F	\$332,771.46		\$3,569,560.25	
Hourly Dental	\$265,838.97	F	\$24,693.77	F	\$25,249.93		\$315,782.67	
Hourly Life Insurance	\$87,349.50	F	\$18,726.75	F			\$106,076.25	
Other	\$877.42	F					\$877.42	
Hourly VEBA					\$590,190.00		\$590,190.00	
Salaried: Payroll & Taxes					\$7,006,971.73		\$7,006,971.73	[6]
Salaried Workmans Compensation					\$74,567.39		\$74,567.39	
Salried: 401K					\$496,270.21		\$496,270.21	
Salaried Credit Union					\$126,432.60		\$126,432.60	
Salaried: Other Pd Deductions					\$7,945.76		\$7,945.76	
Salaried Tuition					\$3,078.62		\$3,078.62	
Salaried Medical					\$727,112.47		\$727,112.47	
Salaried Dental					\$127,007.95		\$127,007.95	
Salaried Life Insurance					\$114,197.15		\$114,197.15	
	\$13,756,926.22	[3]	\$2,737,415.82	[2]	\$12,101,306.39	[1]	\$28,595,648.43	63.16%
West Water Plan					\$42,102.89		\$42,102.89	
Disposal Fees					\$164,716.94		\$164,716.94	
Employee Ben/Activity					\$27,126.10		\$27,126.10	
Enviornmental					\$66,449.03		\$66,449.03	
Freight					\$55,839.34		\$55,839.34	
Ground Keepers					\$11,630.89		\$11,630.89	
Guard					\$26,995.62		\$26,995.62	
Insurance: Property					\$650,000.00			
Insurance: Boiler & Machinery					\$196,050.00			
Insurance: Other					\$396,762.00		\$1,242,812.00	[15]
Manufacturing Supplies					\$979,005.02		\$979,005.02	[7]
Repairs & Maintenance					\$328,142.90		\$328,142.90	[8]
R&M Supplies					\$170,346.97		\$170,346.97	
Sampling & Testing					\$48,521.89		\$48,521.89	
Training					\$9,998.26		\$9,998.26	
Business Licenses					\$7,214.23		\$7,214.23	
Data Processing					\$40,440.79		\$40,440.79	
Travel					\$143,004.28		\$143,004.28	
M&E					\$6,597.17		\$6,597.17	
Meetings & Seminars					\$2,125.15		\$2,125.15	
Natural Gas					\$278,764.47		\$278,764.47	
Office Expense					\$15,796.45		\$15,796.45	

NOTED P/R DETAIL AGREED TO TOTAL Q WAS SUPPORTED BY BAPT-VP

LongView Aluminum Company
Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:	1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures	
Payroll Services			\$56,062.32	\$56,062.32	
Postage			\$8,057.87	\$8,057.87	
Outside Services			\$58,401.22	\$58,401.22	
Rental & Miscellaneous Equipment			\$24,650.45	\$24,650.45	
Taxes & Use			\$18,729.18	\$18,729.18	
Taxes Other			\$14,302.32	\$14,302.32	
Telephone			\$27,982.24	\$27,982.24	
Bank Charges			\$7,619.85	\$7,619.85	
	\$0.00	\$0.00	\$3,883,435.84	\$3,883,435.84	[1] 8.58%
Power			\$1,416,544.00	\$1,416,544.00	F
Power Transmission			\$510,186.00	\$510,186.00	F
	\$0.00	\$0.00	\$1,926,730.00	\$1,926,730.00	[1] 4.26%
Fixed Assets			\$217,474.09	\$217,474.09	F [9]
Capital Upgrades			\$512,902.27	\$512,902.27	[10] [14]
	\$0.00	\$0.00	\$730,376.36	\$730,376.36	[1] 1.61%
Loan: Ableco Fees			\$500,000.00	\$500,000.00	F [11]
Loan: Great Lake Processing			\$125,000.00	\$125,000.00	F [11]
	\$0.00	\$0.00	\$625,000.00	\$625,000.00	[1] 1.38%
Professional Fees: Legal			\$1,457,944.44	\$1,457,944.44	
Professional Fees: Accounting			\$721,700.00	\$721,700.00	
Professional Fees: Enviornmental			\$298,625.35	\$298,625.35	
Professional Fees: Other			\$302,024.90	\$302,024.90	
	\$0.00	\$0.00	\$2,780,294.69	\$2,780,294.69	[1] 6.14%
Acquisition Investments - To McCook			\$3,280,552.97	\$3,280,552.97	F [12]
Acquisition Investments - Other			\$2,505,304.76	\$2,505,304.76	[13] [14]
UnCategorized Costs			\$361,683.97	\$361,683.97	
	\$0.00	\$0.00	\$6,147,541.70	\$6,147,541.70	13.58%
Total Company Expenditures	\$13,756,926.22	\$2,737,415.82	\$28,194,684.98	\$44,689,027.02	[1] 98.71%

Payments Paid by BPA

Union Accounts Payments: (\$17,233,334.00 + \$3,100,000.00 + \$6,216,666.00)	\$26,550,000.00	[1]
Less Amount Paid Directly to USWA (Union):	(\$3,100,000.00)	[1]
Company Account Payments	\$23,450,000.00	
Payments Paid by BPA to Longview Aluminum Through January 21, 2002	\$21,822,500.00	[1]
	\$45,272,500.00	100.00%

F - Footed Longview Aluminum worksheet. Noted detail expenditures/transfers agreed to footed totals.

[1] - Agreed to Longview Aluminum disbursement summary & BPA Payment Reconciliation worksheets.

[2] - Agreed to Longview Aluminum Second Union Account payment schedule.

[3] - Agreed to Longview Aluminum First Union Account payment schedule net of unclassified bank transfers. (\$16,199,126.22 - \$2,442,200.00) = \$13,756,926.22.

[4] - Request to review detail ledger showing individual payments for Payroll & Taxes. Total of all payments for the period of review should total \$10,113,606.18

[5] - Request to review detail ledger showing individual payments for Retiree Payout. Total of all payments for the period of review should total \$2,755,198.73

[6] - Request to review detail ledger showing individual payments for Salaried Payroll & Taxes. Total of all payments for the period of review should total \$7,006,971.73

[7] - Request to review supporting invoices for (1) Helser Industries, Check Number 2492 on 7/10/01 for \$33,750.00, and (2) Reliable Steel, Check Number 2617 on 1/24/02.

[8] - Request to review supporting invoice for Protective Coating Consultants, Check Number 2218, on 12/5/01 for \$41,565.96.

[9] - Request to review supporting invoice for PHH Leasing, Check Number 1434, on 7/10/01 for \$15,605.60, and CSB Systems (ERP), Check Number 2276, on 12/14/01 for \$108,470.00.

[10] - Request to review supporting invoice for J.H. Kelly, Check Number 1239, on 5/29/01, for \$139,367.97.

[11] - Request an explanation for the nature of loan payments to Great Lake Processing and Ableco Financing.

[12] - Request an explanation for the nature of the payments to McCook LLC.

[13] - Request an explanation as to the nature of payments paid to Samuel and Son and Security Conneciticut under the cost category 'Other Investments.'

[14] - Noted detail expenditures for Capital Upgrades and Other Investments were less than expenditure worksheet totals by \$30,350.46 and \$40,000.00 respectively. Requested reconciling information (payee, check number, date, amount etc.) for the differences identified.

[15] - Requested review of underlining insurance invoices that pertain to the insurance premiums paid and a review of the underlining insurance policies.

Other Review Procedures Performed: On a select randon basis, traced deposits and disbursements from the expenditure information to the various bank statements provided. Traced BPA payment amounts to related expenditure information and bank statements provided.

Longview Aluminum Co
Analysis of Costs

Analysis of Power Purchases

Vendor Name	Check Number	Date	Amount
BPA	1042M	4/9/01	\$136,142.00
BPA	Wire	5/7/01	\$457,402.00
BPA	Wire	6/18/01	\$157,150.00
BPA	Wire	6/27/01	\$130,800.00
BPA	Wire	7/30/01	\$114,850.00
BPA	Wire	9/13/01	\$97,350.00
BPA	Wire	10/12/01	\$94,400.00
BPA	Wire	12/26/01	\$108,050.00
BPA	Wire	1/16/02	\$120,400.00
			<u>\$1,416,544.00</u>

Analysis of Transmission Purchases

	Check Number	Date	Amount
BPA	Wire	11/6/01	\$85,600.00
BPA	Wire	12/11/01	\$140,566.00
BPA	Wire	12/26/01	\$141,471.00
BPA	Wire	1/23/02	\$142,549.00
			<u>\$510,186.00</u>
Total BPA Purchases			<u>\$1,926,730.00</u>

Analysis of Fixed Assets and Capital Upgrades

Vendor Name	Check Number	Date	Amount
PHH Leasing	1434	7/10/01	\$15,605.60
Dell Financial Services	1608	8/27/01	\$33,644.47
SoftMart	1685	9/13/01	\$5,287.22
Wonder ware one year life	2239	12/5/01	\$30,620.00
CSB Systems (ERP)	2276	12/14/01	\$108,470.00
CSB Systems (Support)	2277	12/14/01	\$23,846.40
			<u>\$217,473.69</u>
J.H. Kelly	1239	5/29/01	\$139,367.97
J.H. Kelly	1415	7/10/01	\$87,887.36
J.H. Kelly	1475	7/23/01	\$146,530.81
J.H. Kelly (Voided)	1415	7/30/01	(\$87,887.36)
J.H. Kelly	1516	7/30/01	\$43,943.68
J.H. Kelly	1518	8/8/01	\$43,943.68
J.H. Kelly	1561	8/8/01	\$17,796.28
J.H. Kelly	1610	8/27/01	\$90,969.39
<i>Unreconciled Difference</i>			<u>\$30,350.46</u>
			<u>\$512,902.27</u>

Analysis of Loans

Vendor Name	Check		Amount	
	Number	Date		
Keilin & Co.	1308	6/14/01	\$100,000.00	7c
Ableco Finance	1746	9/25/01	\$100,000.00	15c
Great Lakes Processing	Wire	10/17/01	\$75,000.00	17c
Ableco Finance Aquatic Lease	Wire	11/15/01	\$100,000.00	20c
Great Lakes Processing	2352	12/21/01	\$50,000.00	25c
Ableco Financing	2379	12/21/01	\$100,000.00	25c
Ableco Financing - Aquatic land Lease	Wire	1/7/02	\$100,000.00	26c
			<u>\$625,000.00</u>	

Great Lakes Processing

\$125,000.00

Ableco Fees (REVISOR) LENDING AGREEMENT
 SUPPLIER IS LONGVIEW LLC / ABLECO

\$500,000.00

✓ AGREED AMOUNT

\$625,000.00

Analysis of Acquisition Investments - To McCook

Vendor Name	Check		Amount	
	Number	Date		
McCook Metals LLC	Wire	4/27/01	\$1,000,000.00	3c
McCook Metals LLC	Wire	6/29/01	\$300,000.00	8c
McCook Metals LLC	Wire	7/17/01	\$179,500.00	9c
McCook Metals LLC	Wire	7/18/01	\$168,000.00	9c
McCook Metals LLC	Wire	7/18/01	\$168,000.00	9c
McCook Metals LLC	Wire	7/20/01	\$141,930.75	9c
McCook Metals LLC	Wire	7/23/01	\$54,925.19	9c
McCook Metals LLC	Wire	7/24/01	\$149,666.29	10c
McCook Metals LLC	Wire	7/25/01	\$21,865.73	10c
McCook Metals LLC	Wire	7/26/01	\$37,790.98	10c
McCook Metals LLC	Wire	7/26/01	\$114,600.20	10c
McCook Metals LLC	Wire	7/27/01	\$66,961.77	10c
McCook Metals LLC	Wire	7/30/01	\$148,312.06	10c
McCook Metals LLC	Wire	7/31/01	\$317,000.00	10c
McCook Metals LLC	Wire	8/1/01	\$1,000,000.00	11c
McCook Metals LLC - Deposit	Wire	8/2/01	(\$588,000.00)	11c
			<u>\$3,280,552.97</u>	

Analysis of Acquisition Investments - Other

Vendor Name	Check		Amount	
	Number	Date		
Edgar A. Stark Jr.	1093	4/25/01	\$4,386.40	3c
Samuel & Son	1288	6/7/01	\$100,000.00	6c
Security Connecticut - Lynch	1340	6/25/01	\$156,085.00	7c
Security Connecticut - McCall	1341	6/25/01	\$55,250.00	7c
Security Connecticut - Ohalski	1342	6/25/01	\$75,960.00	7c
Security Connecticut - Kolleng	1343	6/25/01	\$84,713.00	7c
Samuel & Son - Voided 8/9 - Valid 12 M.	1461	7/23/01	\$100,000.00	9c
Jenkins & Gilchrist	Wire	7/24/01	\$400,000.00	10c
Dynegy	Wire	7/26/01	\$369,400.00	10c
Samuel & Son - Stop Payment 8/9	1461	8/9/01	(\$100,000.00)	11c
Samuel & Son - Replace Stop Pymt.	Wire	8/9/01	\$100,000.00	11c
American Express	1566	8/15/01	\$15,554.08	12c
Samuel & Son	Wire	9/13/01	\$100,000.00	13c

Samuel & Son	Wire	9/26/01	\$100,000.00	15c
American Express	1841	10/12/01	\$29,469.78	16c
Samuel & Son	Wire	10/16/01	\$100,000.00	17c
Samuel & Son	Wire	10/29/01	\$150,000.00	18c
American Express	1927	11/1/01	\$24,486.50	18c
Samuel & Son	Wire	11/29/01	\$150,000.00	22c
Samuel & Son	Wire	12/12/01	\$100,000.00	24c
Samuel Son & Co.	Wire	12/13/01	\$150,000.00	26c
Samuel & Son	Wire	1/9/02	\$100,000.00	26c
Samuel & Son	Wire	2/1/02	\$100,000.00	30c
Unreconciled Difference			\$40,000.00	
			\$2,505,304.76	

MM
4063
= 7635
S.L.

Total Monthly payments
(sum of the 3 payments)

Exhibit B
CONTRACT NO. 01PB-10786
TABLE 1-TOTAL PAYMENT SCHEDULE

<u>Date</u>	<u>Amount</u>
March 20, 2001	\$17,000,000
April 20, 2001	\$19,452,380
May 20, 2001	\$21,869,047
June 20, 2001	\$21,869,047
July 20, 2001	\$21,869,047
August 20, 2001	\$21,869,047
September 20, 2001	\$21,869,047
October 20, 2001	\$21,869,047
November 20, 2001	\$14,583,333
December 20, 2001	\$14,583,333
January 20, 2002	\$14,583,333
February 20, 2002	\$14,583,339 ←
TOTAL	\$226,000,000

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hanlon:cg:3562:2/20/01 (PBLAN-PST-\\hq5f01\M_WG\PSC\PM\CT\10786.DOC) 02/28/01

Exhibit B
CONTRACT NO. 01PB-10786
TABLE 2—PAYMENT SCHEDULE
FOR BORROWER UNION ACCOUNT

<u>Date</u>	<u>Amount*</u>
March 20, 2001	\$3,800,000 ^(A)
April 20, 2001	\$1,750,000 ^(B)
May 21, 2001	\$1,750,000 ^(C)
June 20, 2001	\$1,666,667 ^(D)
July 20, 2001	\$1,750,000 ^(E)
August 20, 2001	\$1,750,000 ^(E)
September 20, 2001	\$1,666,667 ^(F)
October 22, 2001	\$3,100,000 ^(G)
November 20, 2001	\$3,100,000 ^(H) → UNION
December 20, 2001	\$3,016,666 ^(I)
January 21, 2002	\$3,200,000 ^(J)
February 20, 2002	\$3,200,000
TOTAL	\$29,750,000

Wire Transfer Instructions:

BBK: National City Bank, Cleveland OH, ABA #041-000-124

BNF: Trust Department, USWA ESCROW FUND, A/C #217115

OBI: FFCT USWA ESCROW FUND ACCOUNT# 46P14335007. Attn: Seamus Murphy

LONGVIEW ALUMINUM, LLC

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By /S/ JOHN L. KOLLENG

By /S/ MARK E. MILLER

Name John L. Kolleng
(Print/Type)

Name Mark E. Miller
(Print/Type)

Title Vice Chairman

Title Account Executive

Date February 26, 2001

Date February 26, 2001

*If the Company desires to change the amount for any month(s), it shall notify BPA in writing of such changed amount(s) by the 1st day of each month. BPA shall then prepare a revision to this Table 2 for execution by the Parties.

hanlon:cg:3562:2/20/01 (PBLAN-PST-\\hq5f01\M_WG\PSC\PM\CT\10786.DOC) 02/28/01

Exhibit B
CONTRACT NO. 01PB-10786
TABLE 3-PAYMENT SCHEDULE
FOR FUNDING AGENT ACCOUNT

<u>Date</u>	<u>Amount</u>
March 20, 2001	\$9,102,500
April 20, 2001	\$16,254,880
May 21, 2001	\$18,671,547
June 20, 2001	\$17,671,547
July 20, 2001	\$18,671,547
August 20, 2001	\$18,671,547
September 20, 2001	\$17,671,547
October 22, 2001	\$17,321,547
November 20, 2001	\$10,035,833
December 20, 2001	\$9,035,833
January 21, 2002	\$9,935,833
February 20, 2002	\$4,061,392
TOTAL	\$167,105,553

Wire Transfer Instructions:

BBK: U.S. Bank National Association (NA), Minneapolis, MN, ABA #091-000-022

BNF: U.S. Bank Trust NA, A/C #1801-2116-7365

OBI: FFC U.S. Bank Trust NE Closing, A/C #47300415
For ABLECO FINANCE LLC, Funding Agent, A/C #77090793

LONGVIEW ALUMINUM, LLC

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By /S/ JOHN L. KOLLENG

By /S/ MARK E. MILLER

Name John L. Kolleng
(Print/Type)

Name Mark E. Miller
(Print/Type)

Title Vice Chairman

Title Account Executive

Date February 26, 2001

Date February 26, 2001

hanlon:cg:3562:2/20/01 (PBLLAN-PST-\\hq5f01\M_WG\PSC\PM\CT\10786.DOC) 02/28/01

Exhibit B
CONTRACT NO. 01PB-10786
TABLE 4-PAYMENT SCHEDULE
FOR SECURITIES ACCOUNT
(company account)

<u>Date</u>	<u>Amount*</u>
March 20, 2001	\$4,097,500 ✓
April 20, 2001	\$1,447,500 ✓
May 21, 2001	\$1,447,500 ✓
June 20, 2001	\$2,530,833 ✓
July 20, 2001	\$1,447,500 ✓
August 20, 2001	\$1,447,500 ✓
September 20, 2001	\$2,530,833 ✓
October 22, 2001	\$1,447,500 ✓
November 20, 2001	\$1,447,500 ✓
December 20, 2001	\$2,530,834 ✓
January 21, 2002	\$1,447,500 ✓
February 20, 2002	\$7,321,947 ✓
TOTAL	<hr/> \$29,144,447

Wire Transfer Instructions: VIA FED WIRE

BBK: U.S. Bank NA, Minneapolis, MN, ABA #091-000-022

BNF: U.S. Bank Trust NA, A/C #1801-2116-7365

OBI: U.S. Bank Trust N.A A/C #47300017

For LONGVIEW ALUMINUM BLOCKED ACCOUNT #77090791. Attn: Jamie Stahle

LONGVIEW ALUMINUM, LLC

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By /S/ JOHN L. KOLLENG

By /S/ MARK E. MILLER

Name John L. Kolleng
(Print/Type)

Name Mark E. Miller
(Print/Type)

Title Vice Chairman

Title Account Executive

Date February 26, 2001

Date February 26, 2001

*If the Company desires to change the amount for any month(s), it shall notify BPA in writing of such changed amount(s) by the 1st day of each month. BPA shall then prepare a revision to this Table 4 for execution by the Parties.

hanlon:cg:3562:2/20/01 (PBLAN-PST-\\hq5f01\M_WG\PSC\PM\CT\10786.DOC) 02/28/01

LongView Aluminum Company
Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:		1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures
Payroll & Taxes		F	F	F	[4]
Retiree Payout		F			[5]
Hourly Workmans Compensation					
Hourly 401K		\$52,280.52		\$67,629.57	\$119,910.09
Hourly Pension		\$1,074,374.02	\$220,403.71	\$10.85	\$1,294,788.58
Hourly Union Dues		\$280,825.00		\$280,825.00	\$561,650.00
Hourly Credit Union		\$110,781.70	\$8,445.08	\$29,320.29	\$148,547.07
Hourly Other Payroll Deductions		\$163,357.82		\$127,326.48	\$290,684.30
Hourly Tuition		\$30,476.95	\$3,862.15	\$4,360.17	\$38,699.27
Hourly Medical		\$3,788.00	\$797.70	\$1,908.04	\$6,493.74
Hourly Dental		\$2,913,063.14	\$323,725.65	\$332,771.46	\$3,569,560.25
Hourly Life Insurance		\$265,838.97	\$24,693.77	\$25,249.93	\$315,782.67
Other		\$87,349.50	\$18,726.75		\$106,076.25
Hourly VEBA				\$590,190.00	\$877.42
Salaried: Payroll & Taxes					\$590,190.00
Salaried Workmans Compensation					[6]
Salaried: 401K				\$74,567.39	\$74,567.39
Salaried Credit Union				\$496,270.21	\$496,270.21
Salaried: Other Pd Deductions				\$126,432.60	\$126,432.60
Salaried Tuition				\$7,945.76	\$7,945.76
Salaried Medical				\$3,078.62	\$3,078.62
Salaried Dental				\$727,112.47	\$727,112.47
Salaried Life Insurance				\$127,007.95	\$127,007.95
				\$114,197.15	\$114,197.15
		\$13,756,926.22	\$2,737,415.82	\$12,101,306.39	\$28,595,648.43
		[3]	[2]	[1]	63.16%

LongView Aluminum Company

Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:		1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures
West Water Plan				\$42,102.89	\$42,102.89
Disposal Fees				\$164,716.94	\$164,716.94
Employee Ben/Activity				\$27,126.10	\$27,126.10
Environmental				\$66,449.03	\$66,449.03
Freight				\$55,839.34	\$55,839.34
Ground Keepers				\$11,630.89	\$11,630.89
Guard				\$26,995.62	\$26,995.62
Insurance: Property				\$650,000.00	
Insurance: Boiler & Machinery				\$196,050.00	
Insurance: Other				\$396,762.00	
Manufacturing Supplies				\$979,005.02	\$1,222,812.00 [15]
Repairs & Maintenance				\$328,142.90	\$979,005.02 [7]
R&M Supplies				\$170,346.97	\$328,142.90 [8]
Sampling & Testing				\$48,521.89	\$170,346.97
Training				\$9,998.26	\$48,521.89
Business Licenses				\$7,214.23	\$9,998.26
Data Processing				\$40,440.79	\$7,214.23
Travel				\$143,004.28	\$40,440.79
M&E				\$6,597.17	\$143,004.28
Meetings & Seminars				\$2,125.15	\$6,597.17
Natural Gas				\$278,764.47	\$2,125.15
Office Expense				\$15,796.45	\$278,764.47
Payroll Services				\$56,062.32	\$15,796.45
Postage				\$8,057.87	\$56,062.32
Outside Services				\$58,401.22	\$8,057.87
Rental & Miscellaneous Equipment				\$24,650.45	\$58,401.22
Taxes & Use				\$18,729.18	\$24,650.45
Taxes Other				\$14,302.32	\$18,729.18
Telephone				\$27,982.24	\$14,302.32
Bank Charges				\$7,619.85	\$27,982.24
		\$0.00	\$0.00	\$3,883,435.84 [1]	\$7,619.85
				\$3,883,435.84	\$3,883,435.84
					8.58%

LongView Aluminum Company
Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:		1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures
Power				\$1,416,544.00 F	\$1,416,544.00
Power Transmission				\$510,186.00 F	\$510,186.00
Fixed Assets		\$0.00	\$0.00	\$1,926,730.00 [1]	\$1,926,730.00 4.26%
Capital Upgrades				\$217,474.09 [9]	\$217,474.09
				\$512,902.27 [10] [14]	\$512,902.27
Loan: Ableco Fees		\$0.00	\$0.00	\$730,376.36 [1]	\$730,376.36 1.61%
Loan: Great Lake Processing				\$500,000.00 [11]	\$500,000.00
				\$125,000.00 [11]	\$125,000.00
Professional Fees: Legal		\$0.00	\$0.00	\$625,000.00 [1]	\$625,000.00 1.38%
Professional Fees: Accounting				\$1,457,944.44	\$1,457,944.44
Professional Fees: Environmental				\$721,700.00	\$721,700.00
Professional Fees: Other				\$298,625.35	\$298,625.35
				\$302,024.90	\$302,024.90
Acquisition Investments - To McCook		\$0.00	\$0.00	\$2,780,294.69 [1]	\$2,780,294.69 6.14%
Acquisition Investments - Other				\$3,280,552.97 [12]	\$3,280,552.97
UnCategorized Costs				\$2,505,304.76 [13] [14]	\$2,505,304.76
				\$361,683.97	\$361,683.97
		\$0.00	\$0.00	\$6,147,541.70	\$6,147,541.70 13.58%
Total Company Expenditures		\$13,756,926.22	\$2,737,415.82	\$28,194,684.98 [1]	\$44,689,027.02 98.71%

Payments Paid by BPA

Union Accounts Payments: (\$17,233,334.00 + \$3,100,000.00 + \$6,216,666.00)

Less Amount Paid Directly to USWA (Union):

Company Account Payments

Payments Paid by BPA to Longview Aluminum Through January 21, 2002

\$26,550,000.00 [1]	\$23,450,000.00
(\$3,100,000.00) [1]	\$21,822,500.00 [1]
	\$45,272,500.00 100.00%

LongView Aluminum Company
Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:	1st. Union Acct. #77090793 (3/22/01 - 12/18/01)		2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)		Company Account #3751628482 (2/16/01 - 2/6/02)		Total Company Expenditures	
Payroll & Taxes	\$7,273,913.18	F	\$2,136,761.01	F	\$702,931.99	F	\$10,113,606.18	[4]
Retiree Payout	\$1,500,000.00	F			\$1,255,198.73	F	\$2,755,198.73	[5]
Hourly Workmans Compensation	\$52,280.52	F			\$67,629.57	F	\$119,910.09	
Hourly 401K	\$1,074,374.02	F	\$220,403.71	F	\$10.85		\$1,294,788.58	
Hourly Pension	\$280,825.00	F			\$280,825.00		\$561,650.00	
Hourly Union Dues	\$110,781.70	F	\$8,445.08	F	\$29,320.29		\$148,547.07	
Hourly Credit Union	\$163,357.82	F			\$127,326.48		\$290,684.30	
Hourly Other Payroll Deductions	\$30,476.95	F	\$3,862.15	F	\$4,360.17		\$38,699.27	
Hourly Tuition	\$3,788.00	F	\$797.70	F	\$1,908.04		\$6,493.74	
Hourly Medical	\$2,913,063.14	F	\$323,725.65	F	\$332,771.46		\$3,569,560.25	
Hourly Dental	\$265,838.97	F	\$24,693.77	F	\$25,249.93		\$315,782.67	
Hourly Life Insurance	\$87,349.50	F	\$18,726.75	F			\$106,076.25	
Other	\$877.42	F					\$877.42	
Hourly VEBA					\$590,190.00		\$590,190.00	
Salaried: Payroll & Taxes					\$7,006,971.73		\$7,006,971.73	[6]
Salaried Workmans Compensation					\$74,567.39		\$74,567.39	
Salried: 401K					\$496,270.21		\$496,270.21	
Salaried Credit Union					\$126,432.60		\$126,432.60	
Salaried: Other Pd Deductions					\$7,945.76		\$7,945.76	
Salaried Tuition					\$3,078.62		\$3,078.62	
Salaried Medical					\$727,112.47		\$727,112.47	
Salaried Dental					\$127,007.95		\$127,007.95	
Salaried Life Insurance					\$114,197.15		\$114,197.15	
	\$13,756,926.22	[3]	\$2,737,415.82	[2]	\$12,101,306.39	[1]	\$28,595,648.43	63.16%
West Water Plan					\$42,102.89		\$42,102.89	
Disposal Fees					\$164,716.94		\$164,716.94	
Employee Ben/Activity					\$27,126.10		\$27,126.10	
Enviormental					\$66,449.03		\$66,449.03	
Freight					\$55,839.34		\$55,839.34	
Ground Keepers					\$11,630.89		\$11,630.89	
Guard					\$26,995.62		\$26,995.62	
Insurance: Property					\$650,000.00			
Insurance: Boiler & Machinery					\$196,050.00			
Insurance: Other					\$396,762.00		\$1,242,812.00	[15]
Manufacturing Supplies					\$979,005.02		\$979,005.02	[7]
Repairs & Maintenance					\$328,142.90		\$328,142.90	[8]
R&M Supplies					\$170,346.97		\$170,346.97	
Sampling & Testing					\$48,521.89		\$48,521.89	
Training					\$9,998.26		\$9,998.26	
Business Licenses					\$7,214.23		\$7,214.23	
Data Processing					\$40,440.79		\$40,440.79	
Travel					\$143,004.28		\$143,004.28	
M&E					\$6,597.17		\$6,597.17	
Meetings & Seminars					\$2,125.15		\$2,125.15	
Natural Gas					\$278,764.47		\$278,764.47	
Office Expense					\$15,796.45		\$15,796.45	

How much \$ LEFT
IN BMT ACCOUNT

LongView Aluminum Company
Company Expenditures for the Period March 22, 2001 through February 6, 2002

Company Expenditures:	1st. Union Acct. #77090793 (3/22/01 - 12/18/01)	2nd. Union Acct. #3752157994 (12/20/01 - 2/6/02)	Company Account #3751628482 (2/16/01 - 2/6/02)	Total Company Expenditures	
Payroll Services			\$56,062.32	\$56,062.32	
Postage			\$8,057.87	\$8,057.87	
Outside Services			\$58,401.22	\$58,401.22	
Rental & Miscellaneous Equipment			\$24,650.45	\$24,650.45	
Taxes & Use			\$18,729.18	\$18,729.18	
Taxes Other			\$14,302.32	\$14,302.32	
Telephone			\$27,982.24	\$27,982.24	
Bank Charges			\$7,619.85	\$7,619.85	
	\$0.00	\$0.00	\$3,883,435.84	\$3,883,435.84	[1] 8.58%
Power			\$1,416,544.00	\$1,416,544.00	F
Power Transmission			\$510,186.00	\$510,186.00	F
	\$0.00	\$0.00	\$1,926,730.00	\$1,926,730.00	[1] 4.26%
Fixed Assets			\$217,474.09	\$217,474.09	F [9]
Capital Upgrades			\$512,902.27	\$512,902.27	[10] [14]
	\$0.00	\$0.00	\$730,376.36	\$730,376.36	[1] 1.61%
Loan: Ableco Fees			\$500,000.00	\$500,000.00	F [11]
Loan: Great Lake Processing			\$125,000.00	\$125,000.00	F [11]
	\$0.00	\$0.00	\$625,000.00	\$625,000.00	[1] 1.38%
Professional Fees: Legal			\$1,457,944.44	\$1,457,944.44	
Professional Fees: Accounting			\$721,700.00	\$721,700.00	
Professional Fees: Enviornmental			\$298,625.35	\$298,625.35	
Professional Fees: Other			\$302,024.90	\$302,024.90	
	\$0.00	\$0.00	\$2,780,294.69	\$2,780,294.69	[1] 6.14%
Acquisition Investments - To McCook			\$3,280,552.97	\$3,280,552.97	F [12]
Acquisition Investments - Other			\$2,505,304.76	\$2,505,304.76	[13] [14]
UnCategorized Costs			\$361,683.97	\$361,683.97	
	\$0.00	\$0.00	\$6,147,541.70	\$6,147,541.70	13.58%
Total Company Expenditures	\$13,756,926.22	\$2,737,415.82	\$28,194,684.98	\$44,689,027.02	[1] 98.71%

Payments Paid by BPA

Union Accounts Payments: (\$17,233,334.00 + \$3,100,000.00 + \$6,216,666.00)

Less Amount Paid Directly to USWA (Union):

Company Account Payments

Payments Paid by BPA to Longview Aluminum Through January 21, 2002

\$26,550,000.00 [1]

(\$3,100,000.00) [1]

\$23,450,000.00

\$21,822,500.00 [1]

\$45,272,500.00	100.00%
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**LongView Aluminum Company Company Expenditures
for the Period March 22, 2001 through February 6, 2002
Analysis & Review Notes**

F - Footed Longview Aluminum worksheet. Noted detail expenditures/transfers agreed to footed totals.

[1] - Agreed to Longview Aluminum disbursement summary & BPA Payment Reconciliation worksheets.

[2] - Agreed to Longview Aluminum Second Union Account payment schedule.

[3] - Agreed to Longview Aluminum First Union Account payment schedule net of unclassified bank transfers. (\$16,199,126.22 - \$2,442,200.00) = \$13,756,926.22.

[4] - Verified internal consistency of document data for payroll periods 3/8/01 (Week 10), 3/15/01 (Week 11), 3/29/01 (Week 13), 8/2/01 (Week 31). Vouched monthly summary detail totals to the period summary 3/2/01 through 2/7/02. Footed the period summary totals for gross pay, net checks paid, total tax liability, ACH direct deposits, garnishment liability, total liability, adjusted payroll liability, SUTA quarterly taxes, and total hourly payroll and taxes. Noted total hourly payroll and taxes per the period summary agreed to the disbursement summary total for hourly payroll & taxes. (\$10,113,606.18). No significant exceptions noted.

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Additional Insurance Review: Noted that insurance policies were available for review from the following insurers: (a) CHUBB (Policy No. 3576-75-43 CHI Liability Insurance); (b) CHUBB (Policy Number 8185-03-81 Executive Protection Policy); CHUBB (Policy Number 7640-15-00 Boiler & Machinery); (c) CHUBB (Policy Number 8185-04-55 Liability Insurance); (d) CHUBB (Policy Number 7350-74-93 Business Auto Policy); (e) Industrial Risk Insurers (Policy Number 31-3-68627); (f) Indian Harbor Insurance Company (Policy Number PEC0008721 Liability Insurance); (g) Fireman's Fund Insurance Companies (Policy Number XYZ-000-8448-5556). Noted a schedule of premium payments to Imperial A.I. Finance totaled \$66,211.83 without appropriate invoices/check copies.

Other Review Procedures Performed: On a select random basis, traced deposits and disbursements from the expenditure information to the various bank statements provided. Traced BPA payment amounts to related expenditure information and bank statements provided.

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Insurance Payments:

Vendor Name	Invoice Number	Invoice Date	Amount	
Liability	4666	3/19/01	\$25,000.00	[15]
Property	4667	3/19/01	\$162,500.00	[15]
Enviornmental / Pollution	4668	3/19/01	\$23,642.00	[15]
Umbrella	4669	3/19/01	\$14,375.00	[15]
Crime	4670	3/19/01	\$2,735.00	[15]
Fiduciary	4671	3/19/01	\$787.50	[15]
Directors & Officers	4672	3/19/01	\$4,024.33	[15]
Fees & Taxes	4673	3/19/01	\$695.00	[15]
Boiler & Machinery	4674	3/19/01	\$49,067.00	[15]
Auto	4676	3/19/01	\$3,500.00	[15]
			\$286,325.83	
Imperial Premium Finance		3/27/01	\$89,188.04	[15]
Imperial Premium Finance		4/27/01	\$89,188.04	[15]
Imperial Premium Finance		5/27/01	\$89,188.04	[15]
Imperial Premium Finance		6/27/01	\$89,188.04	[15]
Imperial Premium Finance		7/27/01	\$89,188.04	[15]
Imperial Premium Finance		8/27/01	\$89,188.04	[15]
Imperial Premium Finance		9/27/01	\$89,188.04	[15]
Imperial Premium Finance		10/27/01	\$89,188.04	[15]
Imperial Premium Finance		11/27/01	\$89,188.04	[15]
			\$802,692.36	
Eugene Tkalitch	7676	3/19/01	\$8,333.00	[15]
Eugene Tkalitch	4681	4/1/01	\$8,333.00	[15]
Eugene Tkalitch	4688	3/30/01	(\$118.00)	[15]
Eugene Tkalitch	4720	5/27/01	\$8,333.00	[15]
Eugene Tkalitch	4749	6/27/01	\$8,333.00	[15]
Eugene Tkalitch	4750	6/27/01	\$3,500.00	[15]
Eugene Tkalitch	4769	6/8/01	\$1,355.50	[15]
Eugene Tkalitch	4781	6/30/01	\$8,333.00	[15]
Eugene Tkalitch	4819	7/18/01	\$300.00	[15]
Eugene Tkalitch	4833	7/31/01	\$8,333.00	[15]
Eugene Tkalitch	4862	8/27/01	\$8,333.00	[15]
Eugene Tkalitch	4863	8/27/01	\$3,772.25	[15]
Eugene Tkalitch	4903	10/27/01	\$8,333.00	[15]
Eugene Tkalitch	4981	10/27/01	\$8,333.00	[15]
Eugene Tkalitch	5008	11/27/01	\$3,772.25	[15]
			\$87,579.00	
Imperial A.I. Finance		9/7/01	\$14,749.88	[15]
Imperial A.I. Finance		9/14/01	\$10,292.39	[15]
Imperial A.I. Finance		10/12/01	\$10,292.39	[15]
Imperial A.I. Finance		11/15/01	\$10,292.39	[15]
Imperial A.I. Finance		12/17/01	\$10,292.39	[15]
Imperial A.I. Finance		1/15/02	\$10,292.39	[15]
			\$66,211.83	
Insurances:			\$1,242,809.02	

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Acquisition Investments - Other

Vendor Name	Check Number	Date	Amount
Edgar A. Stark Jr.	1093	4/25/01	\$4,386.40
Samuel & Son	1288	6/7/01	\$100,000.00 [13]
Security Connecticut - Lynch	1340	6/25/01	\$156,085.00 [13]
Security Connecticut - McCall	1341	6/25/01	\$55,250.00 [13]
Security Connecticut - Ohalski	1342	6/25/01	\$75,960.00 [13]
Security Connecticut - Kolleng	1343	6/25/01	\$84,713.00 [13]
Samuel & Son - Voided 8/9 - Valid 12 M.	1461	7/23/01	\$100,000.00 [13]
Jenkins & Gilchrist	Wire	7/24/01	\$400,000.00
Dynegy	Wire	7/26/01	\$369,400.00
Samuel & Son - Stop Payment 8/9	1461	8/9/01	(\$100,000.00) [13]
Samuel & Son - Replace Stop Pymt.	Wire	8/9/01	\$100,000.00 [13]
American Express	1566	8/15/01	\$15,554.08
Samuel & Son	Wire	9/13/01	\$100,000.00 [13]
Samuel & Son	Wire	9/26/01	\$100,000.00 [13]
American Express	1841	10/12/01	\$29,469.78
Samuel & Son	Wire	10/16/01	\$100,000.00 [13]
Samuel & Son	Wire	10/29/01	\$150,000.00 [13]
American Express	1927	11/1/01	\$24,486.50
Samuel & Son	Wire	11/29/01	\$150,000.00 [13]
Samuel & Son	Wire	12/12/01	\$100,000.00 [13]
Samuel Son & Co.	Wire	12/13/01	\$150,000.00 [13]
Samuel & Son	Wire	1/9/02	\$100,000.00 [13]
Samuel & Son	Wire	2/1/02	\$100,000.00 [13]
LECG	1072	4/18/01	\$40,000.00
			<u>\$2,505,304.76</u>

Need explanation of Samuel & Son payments

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Loans

Vendor Name	Check Number	Date	Amount
Keilin & Co.	1308	6/14/01	\$100,000.00
Ableco Finance	1746	9/25/01	\$100,000.00
Great Lakes Processing	Wire	10/17/01	\$75,000.00
Ableco Finance Aquatic Lease	Wire	11/15/01	\$100,000.00
Great Lakes Processing	2352	12/21/01	\$50,000.00
Ableco Financing	2379	12/21/01	\$100,000.00
Ableco Financing - Aquatic land Lease	Wire	1/7/02	\$100,000.00
			<u><u>\$625,000.00</u></u>
Great Lakes Processing (Inconsistent Information)			\$125,000.00 [11]
Ableco Fees (5 late fee payments on loan)			\$500,000.00 [11]
			<u><u>\$625,000.00</u></u>

Analysis of Acquisition Investments - To McCook

Vendor Name	Check Number	Date	Amount
McCook Metals LLC	Wire	4/27/01	\$1,000,000.00 [12]
McCook Metals LLC	Wire	6/29/01	\$300,000.00 [12]
McCook Metals LLC	Wire	7/17/01	\$179,500.00 [12]
McCook Metals LLC	Wire	7/18/01	\$168,000.00 [12]
McCook Metals LLC	Wire	7/18/01	\$168,000.00 [12]
McCook Metals LLC	Wire	7/20/01	\$141,930.75 [12]
McCook Metals LLC	Wire	7/23/01	\$54,925.19 [12]
McCook Metals LLC	Wire	7/24/01	\$149,666.29 [12]
McCook Metals LLC	Wire	7/25/01	\$21,865.73 [12]
McCook Metals LLC	Wire	7/26/01	\$37,790.98 [12]
McCook Metals LLC	Wire	7/26/01	\$114,600.20 [12]
McCook Metals LLC	Wire	7/27/01	\$66,961.77 [12]
McCook Metals LLC	Wire	7/30/01	\$148,312.06 [12]
McCook Metals LLC	Wire	7/31/01	\$317,000.00 [12]
McCook Metals LLC	Wire	8/1/01	\$1,000,000.00 [12]
McCook Metals LLC - Deposit	Wire	8/2/01	(\$588,000.00) [12]
			<u><u>\$3,280,552.97</u></u>

**Longview Aluminum Company Expenditures for the
Period March 22, 2001 through February 6, 2002
Analysis of Costs**

Analysis of Power Purchases

Vendor Name	Check Number	Date	Amount
BPA	1042M	4/9/01	\$136,142.00
BPA	Wire	5/7/01	\$457,402.00
BPA	Wire	6/18/01	\$157,150.00
BPA	Wire	6/27/01	\$130,800.00
BPA	Wire	7/30/01	\$114,850.00
BPA	Wire	9/13/01	\$97,350.00
BPA	Wire	10/12/01	\$94,400.00
BPA	Wire	12/26/01	\$108,050.00
BPA	Wire	1/16/02	\$120,400.00
			<u>\$1,416,544.00</u>

Analysis of Transmission Purchases

	Check Number	Date	Amount
BPA	Wire	11/6/01	\$85,600.00
BPA	Wire	12/11/01	\$140,566.00
BPA	Wire	12/26/01	\$141,471.00
BPA	Wire	1/23/02	\$142,549.00
			<u>\$510,186.00</u>

Total BPA Purchases

\$1,926,730.00

Analysis of Fixed Assets and Capital Upgrades

Vendor Name	Check Number	Date	Amount
PHH Leasing	1434	7/10/01	\$15,605.60 [9]
Dell Financial Services	1608	8/27/01	\$33,644.47
SoftMart	1685	9/13/01	\$5,287.22
Wonder ware one year life	2239	12/5/01	\$30,620.00
CSB Systems (ERP)	2276	12/14/01	\$108,470.00 [9]
CSB Systems (Support)	2277	12/14/01	\$23,846.40 [9]
			<u>\$217,473.69</u>
J.H. Kelly	1239	5/29/01	\$139,367.97 [10]
J.H. Kelly	1415	7/10/01	\$87,887.36 [10]
J.H. Kelly	1475	7/23/01	\$146,530.81 [10]
J.H. Kelly (Voided)	1415	7/30/01	(\$87,887.36) [10]
J.H. Kelly	1516	7/30/01	\$43,943.68 [10]
J.H. Kelly	1518	8/8/01	\$43,943.68 [10]
J.H. Kelly	1561	8/8/01	\$17,796.28 [10]
J.H. Kelly	1610	8/27/01	\$90,969.39 [10]
J.H. Kelly	1051	4/18/01	\$30,350.46 [10]
			<u>\$512,902.27</u>

**LongView Aluminum Company Company Expenditures
for the Period March 22, 2001 through February 6, 2002
Analysis & Review Notes**

F - Footed Longview Aluminum worksheet. Noted detail expenditures/transfers agreed to footed totals.

[1] - Agreed to Longview Aluminum disbursement summary & BPA Payment Reconciliation worksheets.

[2] - Agreed to Longview Aluminum Second Union Account payment schedule.

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(\$16,199,126.22 - \$2,442,200.00) = \$13,756,926.22.

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Longview Aluminum Co
Analysis of Costs

Analysis of Power Purchases

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	Number	Date	
BPA	1042M	4/9/01	\$136,142.00
BPA	Wire	5/7/01	\$457,402.00
BPA	Wire	6/18/01	\$157,150.00
BPA	Wire	6/27/01	\$130,800.00
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BPA	Wire	1/16/02	\$120,400.00
			<u>\$1,416,544.00</u>

Analysis of Transmission Purchases

	Check		Amount
	Number	Date	
BPA	Wire	11/6/01	\$85,600.00
BPA	Wire	12/11/01	\$140,566.00
BPA	Wire	12/26/01	\$141,471.00
BPA	Wire	1/23/02	\$142,549.00
			<u>\$510,186.00</u>

Total BPA Purchases

\$1,926,730.00

Analysis of Fixed Assets

Vendor Name	Check		Amount
	Number	Date	
PHH Leasing	1434	7/10/01	\$15,605.60
Dell Financial Services	1608	8/27/01	\$33,644.47
SoftMart	1685	9/13/01	\$5,287.22
Wonder ware one year life	2239	12/5/01	\$30,620.00
CSB Systems (ERP)	2276	12/14/01	\$108,470.00
CSB Systems (Support)	2277	12/14/01	\$23,846.40
			<u>\$217,473.69</u>
J.H. Kelly	1239	5/29/01	\$139,367.97
J.H. Kelly	1415	7/10/01	\$87,887.36
J.H. Kelly	1475	7/23/01	\$146,530.81
J.H. Kelly (Voided)	1415	7/30/01	(\$87,887.36)
J.H. Kelly	1516	7/30/01	\$43,943.68
J.H. Kelly	1518	8/8/01	\$43,943.68
J.H. Kelly	1561	8/8/01	\$17,796.28
J.H. Kelly	1610	8/27/01	\$90,969.39
Unreconciled Difference			\$30,350.46
			<u>\$512,902.27</u>

Longview Aluminum Co
Analysis of Costs

Analysis of Loans

Vendor Name	Check Number	Date	Amount	
Keilin & Co.	1308	6/14/01	\$100,000.00	7c
Ableco Finance	1746	9/25/01	\$100,000.00	15c
Great Lakes Processing	Wire	10/17/01	\$75,000.00	17c
Ableco Finance Aquatic Lease	Wire	11/15/01	\$100,000.00	20c
Great Lakes Processing	2352	12/21/01	\$50,000.00	25c
Ableco Financing	2379	12/21/01	\$100,000.00	25c
Ableco Financing - Aquatic land Lease	Wire	1/7/02	\$100,000.00	26c
			<u>\$625,000.00</u>	
Great Lakes Processing			\$125,000.00	
Ableco Fees			<u>\$500,000.00</u>	
			<u>\$625,000.00</u>	

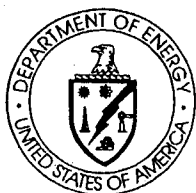
Analysis of Acquisition Investments - To McCook

Vendor Name	Check Number	Date	Amount	
McCook Metals LLC	Wire	4/27/01	\$1,000,000.00	3c
McCook Metals LLC	Wire	6/29/01	\$300,000.00	8c
McCook Metals LLC	Wire	7/17/01	\$179,500.00	9c
McCook Metals LLC	Wire	7/18/01	\$168,000.00	9c
McCook Metals LLC	Wire	7/18/01	\$168,000.00	9c
McCook Metals LLC	Wire	7/20/01	\$141,930.75	9c
McCook Metals LLC	Wire	7/23/01	\$54,925.19	9c
McCook Metals LLC	Wire	7/24/01	\$149,666.29	10c
McCook Metals LLC	Wire	7/25/01	\$21,865.73	10c
McCook Metals LLC	Wire	7/26/01	\$37,790.98	10c
McCook Metals LLC	Wire	7/26/01	\$114,600.20	10c
McCook Metals LLC	Wire	7/27/01	\$66,961.77	10c
McCook Metals LLC	Wire	7/30/01	\$148,312.06	10c
McCook Metals LLC	Wire	7/31/01	\$317,000.00	10c
McCook Metals LLC	Wire	8/1/01	\$1,000,000.00	11c
McCook Metals LLC - Deposit	Wire	8/2/01	(\$588,000.00)	11c
			<u>\$3,280,552.97</u>	

Longview Aluminum Co
Analysis of Costs

Analysis of Acquisition Investments - Other

Vendor Name	Check		Amount	
	Number	Date		
Edgar A. Stark Jr.	1093	4/25/01	\$4,386.40	3c
Samuel & Son	1288	6/7/01	\$100,000.00	6c
Security Connecticut - Lynch	1340	6/25/01	\$156,085.00	7c
Security Connecticut - McCall	1341	6/25/01	\$55,250.00	7c
Security Connecticut - Ohalski	1342	6/25/01	\$75,960.00	7c
Security Connecticut - Kolleng	1343	6/25/01	\$84,713.00	7c
Samuel & Son - Voided 8/9 - Valid 12 M.	1461	7/23/01	\$100,000.00	9c
Jenkins & Gilchrist	Wire	7/24/01	\$400,000.00	10c
Dynegy	Wire	7/26/01	\$369,400.00	10c
Samuel & Son - Stop Payment 8/9	1461	8/9/01	(\$100,000.00)	11c
Samuel & Son - Replace Stop Pymt.	Wire	8/9/01	\$100,000.00	11c
American Express	1566	8/15/01	\$15,554.08	12c
Samuel & Son	Wire	9/13/01	\$100,000.00	13c
Samuel & Son	Wire	9/26/01	\$100,000.00	15c
American Express	1841	10/12/01	\$29,469.78	16c
Samuel & Son	Wire	10/16/01	\$100,000.00	17c
Samuel & Son	Wire	10/29/01	\$150,000.00	18c
American Express	1927	11/1/01	\$24,486.50	18c
Samuel & Son	Wire	11/29/01	\$150,000.00	22c
Samuel & Son	Wire	12/12/01	\$100,000.00	24c
Samuel Son & Co.	Wire	12/13/01	\$150,000.00	26c
Samuel & Son	Wire	1/9/02	\$100,000.00	26c
Samuel & Son	Wire	2/1/02	\$100,000.00	30c
Unreconciled Difference			\$40,000.00	
			<u>\$2,505,304.76</u>	



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

January 31, 2002

In reply refer to: PT-5

Mr. John L. Kolleng, Vice Chairman
Longview Aluminum LLC
111 West Washington, 1655
Chicago, IL 60602

Dear Mr. Kolleng:

On December 20, 2001, the Bonneville Power Administration (BPA) sent Longview Aluminum (Longview) a letter indicating Longview has not complied with Section 10(f) of Contract No. 00BP-10786 (Curtailment Agreement). In that letter, BPA asked Longview to comply with the Curtailment Agreement by providing information that would allow BPA to confirm that Longview has used curtailment revenues for the purposes specified in the Curtailment Agreement, and that such information be provided to BPA prior to January 20, 2002. Longview has not provided BPA with any information to date, and its lack of progress toward meeting BPA's request leaves us with significant concerns the disbursements from one or more of the Company Proceeds Accounts have not been made appropriately.

It is impossible for BPA to determine at this time if Longview has used curtailment revenues consistent with the Curtailment Agreement. BPA is also very concerned that any money remaining in the Company Proceeds Accounts and money yet to be received into those accounts, is spent in accordance with the Curtailment Agreement.

It is very important that BPA receive information from Longview detailing its use of curtailment revenues prior to the date BPA is scheduled to make the final payment into the Company Proceeds Accounts. To be more specific, BPA must receive from Longview an accounting for all expenditures from Company Proceeds Accounts. To help clarify our expectation of how that accounting could be presented at this time, we have enclosed an attachment as an example. Please note the example provided is only an example and Longview should include all of the major disbursement categories necessary to account for all of the dollars deposited into the Company Proceeds Accounts by BPA. Also note in the example that BPA has provided for certification of the summary accounting by Longview. After reviewing this accounting, BPA may request Longview to provide supporting source material to confirm some or all of the listed expenditures. All supporting source material BPA determines is necessary to review any Company Proceeds Account will need to arrive at BPA no later than 14 days prior to the date BPA is scheduled to make the final payment into Longview's account(s).

Sincerely,

A handwritten signature in cursive script, appearing to read "Mark E. Miller", is written over a horizontal line.

Mark E. Miller
Account Executive

EXAMPLE ATTACHMENT
Longview Aluminum
Summary of Qualified Expenditures (Contract O1PB-10786 Section 10)
for the Period: March 20, 2001 through January 20, 2002

Qualifying Contract Section.	Description of Qualified Expenditures	Amount of Qualified Expenditures from Company Proceeds Accounts. [1]
10(a)(1)	<ul style="list-style-type: none"> • Compensation Benefits Paid • Pension Fund Payments • Job Placement Service Costs 	<p>\$1,000,000</p> <p>500,000</p> <p>100,000</p>
10(a)(2)	<ul style="list-style-type: none"> • Cancellation penalty related to Longview Aluminum Companies Contract with XYZ Company. 	30,000,000
10(a)(3)	<ul style="list-style-type: none"> • Unrecoverable Operating Overhead Costs to do reduced operating levels • Accrued Interest Expense and principal payments on long-term debt. 	<p>15,000,000</p> <p>45,000,000</p>
10(b)(1)	<ul style="list-style-type: none"> • Site acquisition, licensing fees for gas fired turbine generators. 	60,000,000
10(b)(3)	<ul style="list-style-type: none"> • Costs associated with energy conservation upgrades at the Longview facility. 	1,500,000
	Total Expenditures and Liabilities incurred by Longview Aluminum that qualify under Section 10 of the above named contract for the above named period.	\$153,100,000
	[1] The company should maintain detail documentation including invoices and evidence of payment for each summarized category.	

To the best of my knowledge and belief the above expenditures and accrued expenses qualify under Section 10 of Contract O1PB-10786 between the Bonneville Power Administration and Longview Aluminum, LLC, and have been or will be paid by Longview Aluminum LLC.

John L. Kolleng, Vice Chairman, Longview Aluminum, LLC Date



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

December 20, 2001

In reply refer to: PT-5

Mr. John L. Kolleng, Vice Chairman
Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294

Dear Mr. Kolleng:

Section 10(f) of the Curtailment Agreement, Contract No. 00PB-10786, seems to be an area we both inadvertently have overlooked for the past several months. The section states, in part, that Longview will provide the Bonneville Power Administration (BPA) with written notice promptly after withdrawing funds from any Company Proceeds Account. Longview can easily comply with Section 10(f) by compiling information regarding withdrawals and expenditures Longview has made from the Company Proceeds Accounts during the March 20, 2001, through December 20, 2001, period and providing that information to BPA. Consistent with Section 10(f), BPA would like to know what Qualified Expenditures have been made with funds from the Company Proceeds Accounts, including detail sufficient for BPA to confirm the expenditures. This information, in addition to Longview providing notices for all future withdrawals, will keep that section current for the remainder of the agreement. It would be very helpful if Longview would provide this information prior to January 20, 2002.

As a matter of due diligence, BPA may use some of our internal personnel, as contemplated in Section 10(f), to review the information you provide. Without having any experience with this information, we may need to work with you in setting up a visit from our staff to your offices to review the background information associated with the withdrawals. We will let you know if this will be necessary after an initial review of Longview's notice and accompanying information.

Thank you for your help. For any questions, please call me at 503-230-4003.

Sincerely,

A handwritten signature in cursive script, reading "Mark E. Miller", is located below the "Sincerely," text.

Mark E. Miller
Customer Account Executive

cc: Mr. Jeffrey T. Smith, Patton Boggs LLP, Attorney at Law
Mr. Randall Hardy, Hardy Energy Consulting

RFA Canceled
Court 2 months



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Contract: 05PB-11543

placeholder

Contract Title:	POWER SALE (FPS) - LONGVIEW ALUMINUM		
Status:	Terminated		
Contract Type:	Select Contract Type (disabled)		
Effective Date:	04/01/2003		
Execution Date:			
Expiration Date:	01/31/2004		
Termination Date:	01/31/2004		
Contract Drafter:	Miller, Mark E		
Owner:	Miller, Mark E	Org	PT
Originating Organization: (Business Line)	Power Business	AE	
Is Proprietary:	No		
Lock Confirm:	OPEN		
View Privileges:	AL		
Date Electronic Received:		Received By:	
Date Hardcopy Received:		Received By:	
Date Received CIB:		Received By:	
Date Received Image:		Received By:	
Date Authenticated:		Authenticated By:	
Comments:	"Placeholder" contract number. Bankruptcy Court-ordered sale to Longview. See Janet Klippstein with		

See
Janet

Billed
FPS

Update Contract Data

Auto Attach Contract

Contract Party(s):

☐ LONGVIEW ALUMINUM LLC (10679)

Add Party

Remove Party

Replace Party

Contract Content:

Sequence Number Effective Date Execution Date Expiration Date Termination Date Sumn

Add New Activity

Add Activity

POD(s) and Path(s):

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05PB-11543

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Contract Number	05PB-11543
5-Digit #	11543
Contract Party(s)	LONGVIEW ALUMINUM LLC
Contract Party	LONGVIEW ALUMINUM LLC
Party Type	
Party Region	
Party Type	
Party Region	
Contract Title	POWER SALE (FPS) - LONGVIEW ALUMINUM
Category	
SubCategory	
SubCategory Details	
Status	Terminated
Contract Series Name	AE
Effective Date	04/01/2003
Execution Date	
Expiration Date	01/31/2004
Termination Date	01/31/2004
Checkout Date/Time	2004-10-06 13:36:47
Responsible Official	Miller, Mark E
Org Code	PT
PBL AE	Miller, Mark E.
PBL Hub	Bulk
Trader	
Trader	
Orig. Organization	Power Business
Drafter	Miller, Mark E
TBL AE	Paschke, Al
Proprietary	No
PBL AE	Miller, Mark E.
PBL Hub	Bulk
TBL AE	Paschke, Al

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Activity: Amendatory Agreement⁶Effective Date: **02/05/2004**Execution Date: **02/05/2004**

Expiration Date:

Termination Date:

Activity Summary: **AMENDED ORDER; MOTION GRANTED & STIPULATION APPROVED**The status on this activity is: **Executed**

The drafter of this activity is:

This activity is first referenced by: **04ZZ-80033**

Powered by



EOD FEB 06 2004

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

0422 80033

In re:)
) Chapter 11
LONGVIEW ALUMINUM, L.L.C.,) Case No. 03-12184
) The Honorable Eugene R. Wedoff
Debtor.)
)

**STIPULATION AND ORDER RESOLVING ALL CONTRACTUAL ISSUES RELATED
TO POWER AND TRANSMISSION SERVICE TO THE DEBTOR AND
ESTABLISHING TERMS AND CONDITIONS FOR PROVISION OF POWER AND
TRANSMISSION SERVICE DURING THE LIQUIDATION
OF THE DEBTOR'S ESTATE**

The United States of America, on behalf of the Bonneville Power Administration ("BPA"), a power marketing administration within the United States Department of Energy, a party-in-interest and creditor herein, and William A. Brandt, Jr., chapter 11 trustee (the "Trustee") of the estate of Longview Aluminum, L.L.C. (the "Debtor") hereby stipulate and agree as follows:

Recitals

A. Debtor's primary asset is an aluminum smelter in Longview, Washington (the "Smelter") that Debtor purchased in February 2001. Debtor has never operated the Smelter since purchasing it.

B. BPA entered into a Network Integration Transmission Service Agreement, Contract No. 01TX-10681 (the "Transmission Contract") effective October 1, 2001, with Debtor. Under the Transmission Contract and BPA's Open Access Transmission Tariff, which is incorporated into the Transmission Contract, BPA provided network integration transmission service to serve Debtor's

actual load at the Smelter, which is capped at 280 megawatts ("MW"). BPA alleges the Transmission Contract provided that Debtor would be subject to three categories of charges for BPA's services thereunder—(1) Network Integration, (2) Ancillary Services and Control Areas Services and (3) Delivery Charges based on a Use-of-Facilities formula rate methodology ("UFT Charges")—according to BPA's applicable rate schedule for each category.

C. BPA contends it validly terminated the Transmission Contract on February 28, 2003. The Debtor denies BPA's claim.

D. BPA entered into a Block Power Sales Agreement, Contract No. 01PB-10769 (the "Power Sales Contract" and with the Transmission Contract, the "BPA Contracts") effective October 1, 2001, with Debtor. Under the Power Sales Contract, Debtor was obligated to purchase firm power from BPA for the Smelter in the amount of 280 MW each hour for the term of the Power Sales Contract.

E. BPA contends it validly terminated the Power Sales Contract on January 28, 2003. The Debtor denies BPA's claim.

F. On March 4, 2003, Debtor filed a voluntary petition for relief under chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware. By order dated March 18, 2003, venue of the case was transferred to this Court (Docket No.1).

G. On April 4, 2003, Debtor filed an Emergency Motion for Order (1) Providing that 11 U.S.C. § 366 Is Not Applicable to the Debtor's Right to Continued Utility Service from the Bonneville Power Authority [sic], or Alternatively (2) If the Court Determines § 366 Is Applicable,

for an Order (A) Prohibiting Bonneville Power Authority [sic] from Discontinuing, Altering or Refusing Service, and (B) Establishing Procedure for Determining Adequate Assurances of Payment (the "Emergency Motion") (Docket No. 22).

H. In the Emergency Motion, Debtor disputed its liability for the UFT Charges asserting, among other things, that the Transmission Contract was a lease of personal property as it related to Direct Service Industry Delivery Facilities ("DSI Delivery Facilities") that are necessary to reduce the voltages of and safely deliver power to the load at the Smelter and that are subject to the UFT Charges under the Transmission Contract.

I. BPA objected to the Emergency Motion (Docket Nos. 50 and 58).

J. Debtor filed a response to BPA's objection ("Response") (Docket No. 63). In the Response, Debtor again disputed its liability for the UFT Charges contending, among other things, that the Transmission Contract was a disguised financing agreement for the purchase of the DSI Delivery Facilities.

K. The hearing on the Emergency Motion was continued several times (Docket Nos. 23, 24, 25, 26, 27, and 242) upon the express agreement between BPA and Debtor that BPA would continue to provide power and transmission service to the Smelter provided that Debtor prepay prior to the beginning of each month (1) \$65,000 directly to BPA for estimated, nondisputed power and transmission charges and (2) \$131,215 into an escrow account established at the Albina Community Bank (the "Escrow Account") for the disputed UFT Charges.

L. On July 22, 2003, BPA filed its Motion for Order Determining that the Automatic Stay of 11 U.S.C. § 362 Does Not Apply to the Cessation of Power and Transmission Service to

Debtor, or in the Alternative, for Relief from the Automatic Stay to Cease Providing Power and Transmission Service to Debtor (the "Termination Motion") (Docket No. 331) seeking the Court's approval to terminate power and transmission service due to Debtor's failure to prepay in accordance with its agreement with BPA.

M. By order entered July 29, 2003, the Court directed the United States Trustee to appoint a trustee in Debtor's case. On the same day, the United States Trustee appointed the Trustee to serve as trustee. By order entered August 5, 2003, the Court approved the Trustee's appointment. The Trustee continues to manage the Debtor's assets pursuant to sections 1106 and 1108 of the Bankruptcy Code.

N. By order entered August 1, 2003 (Docket No. 334), the Court ordered the Emergency Motion rendered moot and struck it from the call.

O. The hearing on the Termination Motion was continued several times (Docket Nos. 321, 368, 399, 405, 426, 433, 494 and 503) upon the express agreement that the Trustee continue to prepay BPA for power and transmission service to the Smelter. The continuances permitted the Trustee the opportunity to explore (1) selling the Smelter as a going concern and (2) negotiating a possible resolution of the Termination Motion, including, but not limited to, the terms and conditions under which BPA would continue to provide power and transmission service during a liquidation of Debtor's estate in the event a purchaser was not identified.

P. As of the date hereof, the Trustee has been unable to identify a purchaser for the Smelter as a going concern and is moving forward to liquidate the Debtor's estate, including dismantling the Smelter and disposing of related equipment.

Q. In August 2003, BPA timely filed two proofs of claim in Debtor's case (Claim Nos. 64 and 65). In claim number 64, BPA asserted a \$13,611,897 claim for amounts due under the Transmission Contract (the "Transmission Contract Proof of Claim"). In claim number 65, BPA asserted a \$48,969,226 claim for amounts due under the Power Sales Contract (the "Power Sales Contract Proof of Claim"). The Court has not made an evaluation of the claims' validity or allowability.

R. Through this Stipulation, and in consideration of the mutual promises, covenants and obligations herein, the sufficiency of which are hereby acknowledged by the parties and which are intended to be and do constitute a contemporaneous exchange for valuable consideration, the Trustee and BPA are (1) resolving the Termination Motion, (2) establishing the terms and conditions of BPA's provision of power and transmission service to the Smelter during the liquidation of the Debtor's estate, and (3) resolving all contractual issues related to the BPA Contracts.

Agreement

1. BPA will continue to provide power and transmission service to the Smelter during the Trustee's liquidation of the Debtor's estate on the terms and conditions specified herein, and as more fully specified in Attachment A ("Charges and Payments"). Capitalized terms in this Stipulation and the attachments to it shall have the meaning given them therein, or if not defined therein, in the applicable BPA rate schedules or tariff. BPA will schedule up to 3 MW of energy on each hour to the Smelter. The amount scheduled for each hour in a month will be the amount used to calculate the Pre-Payment for power for such month.

2. BPA's obligation to provide power and transmission service pursuant to the terms

and conditions described herein shall cease at midnight Pacific Prevailing Time, on July 31, 2004, and at that date and time, BPA shall be entitled to cease providing power and transmission service without further relief from or order of the Court; provided, however, that the Trustee may request a reasonable extension of power and transmission service not to exceed the levels specified herein upon monthly prepayment for such services in an amount acceptable to BPA and that any such request must be made in writing to BPA no later than July 1, 2004. BPA shall not unreasonably deny any such request for the continuance of power and transmission service.

3. All prepayments required under this Stipulation must be received by BPA no later than two business days prior to the beginning of the month, except as provided in paragraph 4 below.

4. For power and transmission service for January 2004, BPA will charge, and the Trustee will pay \$49,823. Of this amount, the Trustee shall pay, upon court approval of this Stipulation, \$37,323 through an offset against the unapplied, carryover balance, as of December 2003, of previous payments for power and transmission service received by BPA. The Trustee shall pay the \$12,500 balance directly to BPA upon court approval of this Stipulation. UFT Charges for January 2004 shall be paid by the Trustee pursuant to paragraph 10 below.

5. For the period February 1, 2004 through July 31, 2004, the Trustee shall, at his option, either: (a) prepay for each month for up to 3 MW (the precise amount of power to be determined by the Trustee) of power from BPA at BPA's estimate of the Dow Jones Mid-Columbia Index average price for the next month, with such payment true-up at the end of the month as specified in Attachment A; or (b) prepay BPA for one, two, or three months of power in increments of one, two, or three MW, respectively. If the Trustee elects option (b) under this paragraph 5, he shall notify

BPA of his election in writing by no later than ten business days prior to the beginning of a month. Upon such written notification from the Trustee, BPA will provide the Trustee a flat price quote for the requested block of power. If the quote is acceptable to the Trustee, he will wire transfer to BPA the cost of such power purchase, and BPA will then purchase the power on the Trustee's behalf.

6. For the period February 1, 2004 through July 31, 2004, the Trustee shall prepay BPA \$12,500 each month for transmission service provided each month at BPA's 2004 rate schedules for all applicable Network Transmission and Ancillary Services (including, but not limited to, energy imbalance charges) rates and charges consistent with the terms of such rate schedules and charges for such month as specified in Attachment A. UFT Charges for the period February 1, 2004 through July 31, 2004, shall be paid by the Trustee pursuant to paragraph 10 below.

7. Following the calculation of all true-ups, as described in Attachment A, the amount of any carryover balance held by BPA as of the end of a month shall be credited against the Trustee's next monthly Pre-Payment bill as provided below.

8. The monthly amount prepaid for power and transmission service for the period February 1, 2004 through July 31, 2004, will be reconciled against the amount owed by the Trustee for actual power and transmission service provided in a month, including charges for Energy Imbalance Service, as provided in Attachment A. No later than five business days after BPA issues a true-up bill, the Trustee shall pay any net difference in favor of BPA not covered by a forward carryover balance. Any net difference in favor of the Trustee will be credited against the amounts to be paid by the Trustee for service provided by BPA to the Trustee in the subsequent month or months; provided, however, any net difference in favor of the Trustee after termination of power and

transmission service to the Smelter will be paid to the Trustee.

9. Upon court approval of this Stipulation, BPA shall, at its convenience, remove and salvage the DSI Delivery Facilities associated with the Smelter that are no longer required to provide transmission service at a level not to exceed 3 MW. The DSI Delivery facilities that are required for such service are identified in Attachment B hereto.

10. Upon court approval of this Stipulation, the Trustee shall pay \$65,000 into the Escrow Account for UFT Charges for December 2003. Upon court approval of this Stipulation, the Trustee shall also pay \$9,468 directly to BPA, and not into escrow, for UFT Charges for January 2004. For the period February 1, 2004 through July 31, 2004, the Trustee shall prepay \$9,468 each month directly to BPA, and not into escrow, for UFT Charges. Payments required by this paragraph 10 shall be in addition to prepayments pursuant to paragraphs 4, 5 and 6 above.

11. The Trustee shall promptly dismiss with prejudice the pending complaints Debtor filed against BPA in the United States Court of Appeals for the Ninth Circuit.

12. The Trustee irrevocably withdraws, waives and releases, whether known or unknown, (a) any claims, demands, causes of action or defenses that attempt to recharacterize the Transmission Contract, in whole or in part, as anything other than an agreement to provide network transmission service to serve the Smelter's actual load, including, but not limited to, any claim or defense that characterizes the Transmission Contract as a disguised financing agreement or a lease of personal property; (b) any claims, demands, causes of action or defenses arising under sections 502(d), 544, 545, 547, 548, 549, 550 and 551 of the Bankruptcy Code as to any amounts paid BPA under the BPA Contracts; and (c) except as provided in paragraph 4, any right, title, and interest in and to any

amounts paid to BPA during the pendency of Debtor's case through court approval of this Stipulation.

13. BPA shall receive two-thirds of the amount that has accrued in the Escrow Account, and the one-third balance shall be paid to the Trustee. Upon court approval of this Stipulation, the parties shall give written instructions to the escrow agent for the Escrow Account requesting the release of two-thirds of the Escrow Account to BPA and the balance to the Trustee. Upon receipt of their portion of the released escrowed funds, BPA and the Trustee each irrevocably waive and release any claim, demand, right, title, or interest in and to the funds released to the other party.

14. This Stipulation has no precedential effect and neither party will cite it as precedent in any other judicial or administrative proceeding.

15. By executing this Stipulation, the Trustee does not release any claims or defenses related to the calculation of the amounts asserted in the Power Sales Contract Proof of Claim.

16. The Transmission Contract terminated February 28, 2003, and the Power Sales Contract terminated January 28, 2003. The Trustee shall not attempt to either (i) assume, (ii) assume and assign, or (iii) otherwise transfer either the Transmission Contract or the Power Sales Contract.

17. The Trustee shall not alter, modify or amend in any way any of the terms of this Stipulation through any subsequent agreement, motion or application.

18. This Stipulation does not affect the rights and claims of any other federal agency other than BPA.

19. Each party hereto agrees that it has fully participated in the drafting of this

Stipulation, including its attachments. The rule of law which provides that ambiguities will be construed against the drafting party in interpreting written instruments shall not be applicable to or used in resolving any dispute over the meaning or intent of this Stipulation or any of its provisions.

20. This is the full and complete agreement of the parties, and each party has entered into this Stipulation voluntarily and without duress.

21. The Court shall have continuing jurisdiction to resolve any disputes regarding the rights arising hereunder.

22. This Stipulation is binding on the parties' successors and assigns.

23. This Stipulation is subject to the approval of the Court and is of no force and effect until so approved.

SO STIPULATED this ____ day of January 2004:

For the United States of America:

PETER D. KEISLER
Assistant Attorney General

PATRICK J. FITZGERALD
United States Attorney


JOEL NATHAN
Assistant United States Attorney
Everett M. Dirksen Building
5th Floor
219 S. Dearborn Street
Chicago, IL 60604

J. CHRISTOPHER KOHN
TRACY J. WHITAKER
MATTHEW J. TROY
Attorneys, Civil Division
U.S. Department of Justice

P.O. Box 875
Ben Franklin Station
Washington, D.C. 20044
(202) 307-0488
(202) 307-0494 (f)

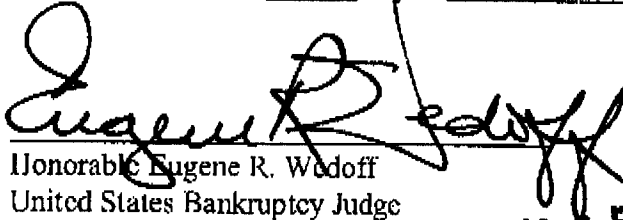
Attorneys for the United States of America

For William A. Brandt, Jr.,
Chapter 11 Trustee:


Daniel A. Zazove
Michael D. Messersmith
Kaye Scholer LLC
Three First National Plaza, Suite 4100
Chicago, Illinois 60602
(312) 583-2300 (o)
(312) 583-2360 (f)

Counsel to William A. Brandt, Jr.,
Chapter 11 Trustee of Longview Aluminum, L.L.C.

SO ORDERED this _____ day of _____, 2004


Honorable Eugene R. Wedoff
United States Bankruptcy Judge

FEB 05 2004

Attachment A
Charges and Payments

1. **Power**

a. January 2004

i. Pre-Payment:

\$ 37,323 (December carryover total)

ii. End-of-Month Truc-up:

There will be a true-up to the actual power price. The true-up to the actual power price for January will be the difference between the pre-payment amount for January and the average Dow-Jones Mid-Columbia Daily Index daily heavy-load hour (HLH) and light-load hour (LLH) prices for January x the amount of energy scheduled for January.

Note:

Actual power usage will be true-up and charged under the Energy Imbalance Service rate as part of the Network Transmission (NT) and Ancillary Services charges described under paragraph 2. below.

b. February 2004 through July 31, 2004

i. Pre-Payment minus carryover balance from the previous month ("Net Pre-Payment"); at Longview's option, the Pre-Payment will be:

(1) the amount of energy determined by Longview x BPA's estimate of the Dow Jones Mid-Columbia Index average price for such month ("DJ Mid-C Index Option"); or

(2) the fixed price pre-payment pursuant to paragraph B.2. ("Fixed Price Option").

Note:

Example A., DJ Mid-C Index Option. Longview forecasts that it will use 1,440,000 kWh in the coming month (2 MW x 720 hrs), and BPA forecasts that the average DJ Mid-C Index price over all hours during the month will be 35 mills/kWh, for a total pre-payment of \$50,400 for power. If there was not a carryover balance from the previous month, then Longview will pre-pay BPA \$50,400 for power for the coming month. If there was a carryover

EXHIBIT

A

balance from the previous month of \$10,000, then Longview would make a pre-payment of \$40,400.

Example B., Fixed Price Option. Longview will have prepaid for a block of power for the fixed price period (i.e., one, two or three months), but there will be an adjustment in the first month of the fixed price period if there was a carryover balance in favor of Longview from the prior month.

ii. End-of-Month True-up:

(1) DJ Mid-C Index Option:

Same methodology as used for the end-of-month true-up for January (true-up to actual power price) as it applies to the average Dow-Jones Mid-Columbia Daily Index prices for energy for such months x the amount of energy scheduled in such months; or

(2) Fixed Price Option:

No end-of-month true-up for actual power price.

Note:

Example A. Under the DJ Mid-C Index Option, the Net Pre-Payment would be reconciled against the actual cost of power scheduled to Longview. If the actual DJ Mid-C Index price (assuming for purposes of this example a single price averaging the ILLH and LLH prices together and weighting for 16 ILLHs and 8 LLHs) was 40 mills, then the actual cost of the power scheduled to Longview would be \$57,600. If the Net Pre-Payment for such month had been \$40,000, then Longview would pay the difference of \$17,600 to BPA if there is not an offsetting true-up for Transmission and Ancillary Services.

Example B. Using the same facts as in Example A., but changing the amount of the Net Pre-Payment to \$70,000, BPA would credit Longview with \$12,400.

2. Network Transmission (NT) and Ancillary Services

a. January and February 2004

i. Pre-payment:

\$12,500 for each month.

ii. End-of-Month True-Up

(1) Pre-Payment minus charges for actual transmission service for all applicable NT and Ancillary Services Schedules (including but not limited to energy imbalance charges but not including Delivery Charges) for such month.

Note: Charges are based on a straightforward calculation of the NT-04 and ACS-04 rate schedules. The DSI Delivery Charge (based on UFT-04 rate methodology) will be a separate prepayment obligation, as provided in paragraph 4. Energy Imbalance charges will apply to the difference between the amount of power scheduled by PBL in an hour and the amount of power used by Longview in such hour for such month.

b. March 2004 through July 2004:

i. Pre-Payment:

\$12,500 minus carryover balance, if any, from prior months.

ii. End-of-Month True-Up:

(1) Pre-Payment minus charges for actual transmission service for all applicable NT and Ancillary Services Schedules (including but not limited to energy imbalance charges, but not including Delivery Charges) for such month.

Note: Deviations between the amount of energy used in an hour, under both the Mid-C Index Option and the Fixed Price Option for power, and the scheduled amount will be paid for as Energy Imbalance Service consistent with the ACS-04 rate schedule. Under the ACS-04 rate schedule, BPA's incremental cost is determined on an hourly energy index, currently the DJ-Mid-C Firm Power Index price. The DJ-Mid-C Firm Power Index price is likely to be different than the Fixed Price Option for power.

3. Net Bill True-Up and Payment/Credit

a. Net Bill True-Up

i. The End-of-Month True-Up for Power for January 2004, Paragraph 1.a.ii, shall be netted against the End-of-Month True-Up for Transmission and Ancillary Services for January 2004, Paragraph 2.a.ii.

ii. The End-of-Month True-Up for Power for February 2004, Paragraph 1.b.ii, shall be netted against the End-of-Month True-Up for Transmission and Ancillary Services for February 2004, Paragraph 2.a.ii.

iii. The monthly End-of-Month True-Up for Power for March through July 2004, Paragraphs 1.b.ii, shall be netted against the monthly End-of-Month True-Up for Transmission and Ancillary Services for March through July 2004, Paragraph 2.b.ii.

b. Payment or Credit

i. The positive net difference, if any, will be credited against the amounts to be pre-paid by Longview for power and transmission service provided by BPA to Longview in the subsequent month or months.

ii. The negative net difference, if any, not covered by a net carryover balance from the preceding month would be paid to BPA by Longview no later than 5 business days after BPA issues a true-up bill.

4. Delivery Charge Pre-payment (based on UFT-04 rate)

a. December: \$65,000.

b. January 2004 through July 2004: \$9,468.

Longview Substation Feeder J Equipment List

DESCRIPTION	BPA SER Tag Number
Longview Substation Feeder J Equipment	
Current Transformer	C07076
Current Transformer	C07077
Current Transformer	C07078
Disconnect	D11763
Disconnect	D11780
Disconnect	D11781
Disconnect	D11782
Disconnect	D11783
Disconnect	D11784
Disconnect	D11785
Reactor - Air Core	I00627
Reactor - Air Core	I00628
Reactor - Air Core	I00629
Reactor - Air Core	I00630
Reactor - Air Core	I00631
Reactor - Air Core	I00632
Reactor - Air Core	I00633
Capacitor	L01279
Capacitor	L01280
Capacitor	L01281
Capacitor	L01282
Power Circuit Breaker	O02648
Power Circuit Breaker	O02649
Potential Transformer	P03608
Potential Transformer	P06558
Potential Transformer	P06559
Potential Transformer	P06560
Potential Transformer	P06561

EXHIBIT

B

ECD FEB 06 2004

0422 80033

Amended order

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re)	Chapter 11
)	
LONGVIEW ALUMINUM, L.L.C.,)	Case No. 03 B 12184
)	
)	The Honorable Eugene R. Wedoff
Debtor.)	

AMENDED ORDER PURSUANT TO FED R. BANKR. P. 9019
APPROVING A SETTLEMENT WITH THE UNITED STATES OF AMERICA

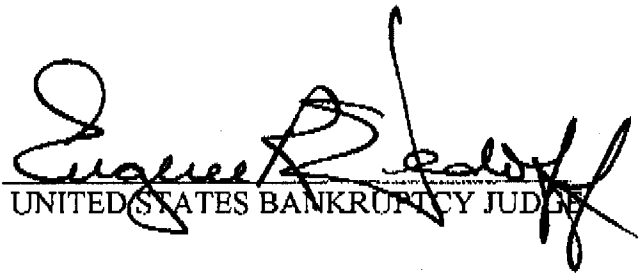
Upon the motion (the "Motion") of William A. Brandt, chapter 11 trustee (the "Trustee") for the chapter 11 estate of Longview Aluminum L.L.C. (the "Debtor"), seeks the issuance and entry of an order pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") approving the stipulation in the form substantially attached hereto as Exhibit A (the "Stipulation") resolving certain disputes between the Trustee and the United States of America, on behalf of the Bonneville Power Administration ("BPA"), all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and due and adequate notice and disclosure of the Motion having been given; and a hearing to consider the relief requested in the Motion having been held before the Bankruptcy Court on January 29, 2004 (the "Hearing"), at which time all interested parties were offered an opportunity to be heard with respect to the relief requested in the Motion; and the Bankruptcy Court having considered the Motion, any objections to the Motion, the evidence presented and the arguments made at or prior to the Hearing; and it appearing that the relief requested in the Motion is in the exercise of sound business judgment of the Trustee on behalf of the Debtor and in the best interests of the Debtor, its chapter 11 estate and its creditors; and after due deliberation thereon and sufficient cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is hereby GRANTED.
2. Pursuant to Fed. R. Bankr. P. 9019, the Stipulation is hereby approved.
3. The Trustee and BPA are hereby authorized and directed to consummate, carry out, and comply with the terms and provisions of the Settlement Agreement.
4. The Court shall retain exclusive jurisdiction to resolve any dispute arising from or related to the rejection authorized herein.

Chicago, Illinois

Dated: January ____, 2004


UNITED STATES BANKRUPTCY JUDGE

FEB 05 2004



**Development
Specialists, Inc.**

Management Consulting Services in the Areas of:
Reorganization • Bankruptcy • Turnaround Management • Business Workouts

June 21, 2004

Mr. Mark Miller PT-5
Bonneville Power Administration
905 North East 11th Avenue
Portland, Oregon 97232

Re: Longview Aluminum, LLC

Dear Mr. Miller:

Reference is made to that certain Stipulation between Longview Aluminum, LLC and the Bonneville Power Administration (the "BPA") dated as of February 5, 2004 (the "Stipulation"). Pursuant to Section 2 of the Stipulation, the Trustee hereby requests a 90-day extension of power and transmission service in monthly amounts not to exceed three megawatts, as more fully provided in the Stipulation.

While we had initially discussed a 30-day extension, considering the extensive negotiations surrounding a potential sale of the facility, the court's schedule and the sale notice requirements, a 90-day extension appears more realistic. While the Trustee and the potential purchaser are working diligently to consummate the sale, as it stands today, we do not have a signed contract and have not scheduled a sale hearing. A 90-day extension offers us flexibility in our attempt to close a deal that provides a meaningful use for the facility and generates jobs for the area.

At your earliest convenience, please advise whether the BPA grants this extension. Of course, if you have any questions or concerns with respect to this request, please contact me as soon as possible. Thanks in advance for your prompt consideration.

James E. Moore

For William A. Brandt, Jr., Trustee of
Longview Aluminum, LLC

cc: Mr. William A. Brandt, Jr.

Mr. Allan Paschke

Mr. Daniel A. Zazove

Mr. Matthew J. Troy

Reply to:

- ☐ CHICAGO
- ☐ LOS ANGELES
- ☐ NEW YORK
- ☐ SAN FRANCISCO
- ☐ MIAMI
- ☐ BOSTON
- ☐ COLUMBUS
- ☐ LONDON

Three First National Plaza
333 South Grand Avenue
26 Broadway
345 California Street
200 South Biscayne Boulevard
Two Oliver Street
6375 Riverside Drive
Devonshire House

Suite 2300
Suite 2010
Suite 1150
Suite 900
Eleventh Floor
Suite 200
60 Goswell Road

Chicago, Illinois 60602-4250
Los Angeles, California 90071-1524
New York, New York 10004-1840
San Francisco, California 94104-2664
Miami, Florida 33131-2321
Boston, Massachusetts 02109-4901
Dublin, Ohio 43017-5373
London EC1M7AD, United Kingdom

Telephone 312.263.4141
Telephone 213.617.2717
Telephone 212.425.4141
Telephone 415.981.2717
Telephone 305.374.2717
Telephone 617.423.2717
Telephone 614.734.2717
Telephone 020.7250.3260
Telecopier 312.263.1180
Telecopier 213.617.2718
Telecopier 212.425.9141
Telecopier 415.981.2718
Telecopier 305.374.2718
Telecopier 617.423.2718
Telecopier 614.734.2718
Telecopier 020.7566.4010



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

July 1, 2004

In reply refer to: PT-5

AUTHENTICATED

Mr. James E. Moore
Development Specialists, Inc.
70 West Madison Street, Suite 2300
Chicago, IL 60602

RE: Longview Aluminum, LLC

Dear Mr. Moore:

This responds to the Trustee's June 21, 2004 request for a ninety-day extension of power and transmission service pursuant to the terms of the February 5, 2004 Stipulation (the "Stipulation") between Longview Aluminum, LLC (Longview) and the Bonneville Power Administration (BPA).

BPA is amenable to this request and hereby grants the requested ninety-day extension. Accordingly, BPA's obligation to provide power and transmission service to the Longview estate shall cease at midnight Pacific Prevailing Time on October 31, 2004. All other terms and conditions of the Stipulation continue in full force and effect, except that BPA shall not be obligated to entertain any request by the Trustee for an additional extension.

Please have the Trustee indicate his agreement to the above by signing below.

If you have any questions, feel free to call.

/S/ ALLAN PASCHKE

Allan Paschke
Account Executive
BPA-Transmission Business Line
360.619.6011

/S/ MARK E. MILLER

Mark Miller
Account Executive
BPA-Power Business Line
503.230.4003

AGREED:

/S/ JAMES E. MOORE

James E. Moore
For William A. Brandt, Jr., Trustee of
Longview Aluminum, LLC



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

October 25, 2004

In reply refer to: PT-5

AUTHENTICATED

Mr. James E. Moore
Development Specialists, Inc.
Three First National Plaza, Suite 2300
70 West Madison Street
Chicago, Illinois 60602-4250

RE: Longview Aluminum, LLC

Dear Mr. Moore:

This responds to your recent request for an extension of power and transmission service pursuant to the terms of the February 5, 2004 Stipulation (the "Stipulation") between Longview Aluminum, LLC ("Longview") and the Bonneville Power Administration ("BPA").

BPA agrees to a one month extension of the Stipulation. Accordingly, BPA's obligation to provide power and transmission service to Longview shall cease at midnight Pacific Prevailing Time on November 30, 2004. Except for the reference in paragraph 2, all references in the Stipulation to July 31, 2004 shall now become November 30, 2004. All other terms and conditions of the Stipulation continue in full force and effect.

Please have the Trustee indicate his agreement to the above by signing below.

If you have any questions, feel free to call.

Sincerely,

/S/ MARK E. MILLER

Mark E. Miller
Account Executive, Power Business Line

/S/ NANCY E. MORGAN for

Al Paschke
Account Executive, Transmission Business
Line

cc:

Mr. Matthew J. Troy, United States Department of Justice, Civil Division

ESCROW AGREEMENT

ESCROW AGREEMENT (this "Escrow Agreement"), dated as of April 21, 2003, by and among **Longview Aluminum, L.L.C.**, a Delaware limited liability company, Chapter 11 Debtor and Debtor in Possession ("Debtor") in Case No. 03 B 12184 (the "Case") in the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court"); **Bonneville Power Administration** ("Bonneville"), a power marketing agency of the United States of America; and **Albina Community Bank**, as escrow agent (the "Escrow Agent").

WITNESSETH

WHEREAS, Debtor and Bonneville dispute (the "Dispute") certain charges (the "UFT Charges") assessed under Bonneville's Service Agreement for Network Integration Transmission Service, No. 01TX-10681 (the "Transmission Agreement").

WHEREAS, Debtor has paid the UFT Charges to Bonneville for the postpetition period ending March 31, 2003.

WHEREAS, in accordance with the agreement made on the record in the Case on March 28, 2003, Bonneville and Debtor agree that the UFT Charges totaling \$131,215 per month for periods commencing on April 1, 2003 shall be delivered to the Escrow Agent for deposit into escrow, in the manner and subject to the terms and conditions set forth herein;

WHEREAS, Bonneville and Debtor desire to appoint the Escrow Agent to act as escrow agent hereunder in the manner hereinafter set forth and the Escrow Agent is willing to act in such capacity;

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bonneville, Debtor and the Escrow Agent hereby agree as follows:

1. **Establishment of Escrow Account.** The Escrow Agent shall establish and maintain on behalf of the parties hereto, an interest bearing trust account (the "Escrow Account") to which there shall be immediately credited and held all amounts received by the Escrow Agent from Debtor in accordance with Section 2 hereof and shall earn investment income thereon (collectively, the "Escrowed Funds"). The Escrowed Funds shall be applied and disbursed only as provided herein. The Escrow Agent shall, to the extent required by law, segregate the Escrowed Funds from its other funds held as an agent or in trust.

2. **Deposits to the Escrow Account; Manner of Deposit; Investment.**

(a) Concurrently with the mutual execution and delivery of this Escrow Agreement, Debtor shall deliver \$131,215 to the Escrow Agent for deposit in the Escrow Account to apply to the period commencing April 1, 2003.

(b) On or before the twenty-fifth day of each month commencing on April 25, 2003 and continuing until the Termination Date, Debtor shall deliver to the Escrow Agent for deposit in the Escrow Account an amount equal to \$131,215 (the "Monthly Deposit").

(c) For purposes of this Escrow Agreement, the Termination Date shall be the date upon which the Escrow Agreement is terminated pursuant to section 4 below.

(d) All amounts to be deposited with the Escrow Agent shall be transferred by wire transfer to the account indicated on Schedule 1.

(e) The Escrow Agent shall promptly confirm in writing, by facsimile or electronic mail, to Debtor and Bonneville all funds received by it pursuant to Sections 2(a) and (b) above and the respective amounts of such receipts.

(f) All funds at any time held in the Escrow Account shall be invested and reinvested in the investment indicated on Schedule 1. The Escrow Agent shall not be accountable or liable for any losses resulting from the sale or depreciation in the market value of such investments thereof.

3. **Distributions from Escrow Account.** If the Escrow Agent receives joint written instructions signed by Debtor and Bonneville, the Escrow Agent shall return the Escrowed Funds to Bonneville or Debtor, as set forth in the instructions, within two (2) business days of receipt of such instructions. Alternatively, the Escrow Agent shall return the Escrowed Funds to Bonneville or Debtor, as set forth in a final order of the Bankruptcy Court providing for the release of the Escrowed Funds, within two (2) business days of receipt of such order.

4. **Termination of Escrow Account and Escrow Agreement.** The Escrow Account shall be deemed dissolved and this Escrow Agreement shall terminate upon disbursement of all of the funds in the Escrow Account.

5. **Rights, Duties and Immunities of Escrow Agent.** Acceptance by the Escrow Agent of its duties under this Escrow Agreement is subject to the following terms and conditions, which all parties to this Escrow Agreement hereby agree shall govern and control the rights, duties and immunities of the Escrow Agent.

(a) The duties and obligations of the Escrow Agent shall be determined solely by the express provisions of this Escrow Agreement and the Escrow Agent shall not be liable, except for the performance of such duties and obligations as are specifically set out in this Escrow Agreement. The Escrow Agent shall not be required to inquire as to the performance or observation of any obligation, term or condition under any agreement or arrangement by Debtor and Bonneville. The Escrow Agent is not a party to, and is not bound by, any agreement or other document out of which this Escrow Agreement may arise. The Escrow Agent shall be under no

ESCROW AGREEMENT

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WHEREAS, Bonneville and Debtor desire to appoint the Escrow Agent to act as escrow agent hereunder in the manner hereinafter set forth and the Escrow Agent is willing to act in such capacity;

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bonneville, Debtor and the Escrow Agent hereby agree as follows:

1. **Establishment of Escrow Account.** The Escrow Agent shall establish and maintain on behalf of the parties hereto, an interest bearing trust account (the "Escrow Account") to which there shall be immediately credited and held all amounts received by the Escrow Agent from Debtor in accordance with Section 2 hereof and shall earn investment income thereon (collectively, the "Escrowed Funds"). The Escrowed Funds shall be applied and disbursed only as provided herein. The Escrow Agent shall, to the extent required by law, segregate the Escrowed Funds from its other funds held as an agent or in trust.

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3. **Distributions from Escrow Account.** If the Escrow Agent receives joint written instructions signed by Debtor and Bonneville, the Escrow Agent shall return the Escrowed Funds to Bonneville or Debtor, as set forth in the instructions, within two (2) business days of receipt of such instructions. Alternatively, the Escrow Agent shall return the Escrowed Funds to Bonneville or Debtor, as set forth in a final order of the Bankruptcy Court providing for the release of the Escrowed Funds, within two (2) business days of receipt of such order.

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5. **Rights, Duties and Immunities of Escrow Agent.** Acceptance by the Escrow Agent of its duties under this Escrow Agreement is subject to the following terms and conditions, which all parties to this Escrow Agreement hereby agree shall govern and control the rights, duties and immunities of the Escrow Agent.

(a) The duties and obligations of the Escrow Agent shall be determined solely by the express provisions of this Escrow Agreement and the Escrow Agent shall not be liable, except for the performance of such duties and obligations as are specifically set out in this Escrow Agreement. The Escrow Agent shall not be required to inquire as to the performance or observation of any obligation, term or condition under any agreement or arrangement by Debtor and Bonneville. The Escrow Agent is not a party to, and is not bound by, any agreement or other document out of which this Escrow Agreement may arise. The Escrow Agent shall be under no

liability to any party hereto by reason of any failure on the part of any other party hereto or any maker, guarantor, endorser or other signatory of any document or any other person to perform such person's obligations under any such document. The Escrow Agent shall not be bound by any waiver, modification, termination or rescission of this Escrow Agreement or any of the terms hereof, unless evidenced by a writing delivered to the Escrow Agent signed by the proper party or parties and, if the duties or rights of the Escrow Agent are affected, unless it shall give its prior written consent thereto. This Escrow Agreement shall not be deemed to create a fiduciary relationship between the parties hereto under state or federal law.

(b) The Escrow Agent shall not be responsible in any manner for the validity or sufficiency of this Escrow Agreement or of any property delivered hereunder, or for the value or collectibility of any note, check or other instrument, if any, so delivered, or for any representations made or obligations assumed by any party other than the Escrow Agent. Nothing herein contained shall be deemed to obligate the Escrow Agent to deliver any cash, instruments, documents or any other property referred to herein, unless the same shall have first been received by the Escrow Agent pursuant to this Escrow Agreement.

(c) Debtor and Bonneville, jointly and severally, agree to reimburse and indemnify the Escrow Agent for, and hold it harmless against, any loss, liability or expense, including but not limited to reasonable counsel fees, incurred without bad faith, willful misconduct or gross negligence on the part of the Escrow Agent arising out of or in conjunction with its acceptance of, or the performance of its duties and obligations under this Escrow Agreement, as well as the costs and expenses of defending against any claim or liability arising out of or relating to this Escrow Agreement.

(d) The Escrow Agent shall be fully protected in acting on and relying upon any written notice direction, request, waiver, consent, receipt or other paper or document which the Escrow Agent in good faith believes to have been signed and presented by the proper party or parties.

(e) The Escrow Agent shall not be liable for any error of judgment, or for any act done or step taken or omitted by it in good faith or for any mistake in act or law, or for anything which it may do or refrain from doing in connection herewith, except its own gross negligence or willful misconduct.

(f) The Escrow Agent may seek the advice of legal counsel in the event of any dispute or question as to the construction of any of the provisions of this Escrow Agreement or its duties hereunder, and it shall incur no liability and shall be fully protected in respect of any action taken, omitted or suffered by it in good faith in accordance with the written advice or opinion of such counsel.

(g) The agreements set forth in this Section 5 shall survive the resignation or removal of the Escrow Agent, the termination of this Escrow Agreement and the payment of all amounts hereunder.

6. **Resignation of Escrow Agent** The Escrow Agent shall have the right to resign upon thirty (30) days' written notice to Debtor and Bonneville. In the event of such resignation,

Debtor and Bonneville shall jointly appoint a successor escrow agent hereunder by delivering to the Escrow Agent a written notice of such appointment. Upon receipt of such written notice, the Escrow Agent shall deliver to the designated successor escrow agent all money and other property held hereunder and shall thereupon be released and discharged from any and all further responsibilities whatsoever under this Escrow Agreement; provided, however, that the Escrow Agent shall not be deprived of its compensation earned prior to such time.

If no successor escrow agent shall have been designated by the date specified in the Escrow Agent's notice, all obligations of the Escrow Agent hereunder shall nevertheless cease and terminate. Its sole responsibility thereafter shall be to keep safely all property then held by it and to deliver the same to a person designated by the other parties hereto or in accordance with the direction of a final order or judgment of the Bankruptcy Court.

7. **Notices** All claims, notices, consents, objections and other communications under this Escrow Agreement shall be in writing and shall, except as otherwise provided herein, be deemed to have been duly given when (i) delivered by hand, (ii) sent by telecopier (with receipt confirmed), or (iii) when received by the addressee, if sent by Express Mail, Federal Express or other reputable overnight delivery service, in each instance, at the appropriate addresses and telecopier numbers as set forth below:

ESCROW AGENT:

Albina Community Bank
2002 NE Martin Luther King Jr. Blvd
Portland, OR 97212
Attn: Ms. Lihua Lennox, Branch Manager
e-mail: llennox@albinabank.com
Telephone: (503) 331-3785
Facsimile: (503) 287-1501

DEBTOR:

Longview Aluminum, L.L.C.
20 S. Clark St., Suite 850
Chicago, IL 60603
Attention: Mr. Michael Lynch
Telephone: (312) 795-9705
Facsimile: (312) 795-9715

Pachulski, Stang, Ziehl, Young,
Jones & Weintraub P.C.
919 North Market Street
Suite 1600
Wilmington, DE 19801
Attn: Laura Davis Jones
Telephone: (302) 652-4100
Facsimile: (302) 652-4400

Pachulski, Stang, Ziehl, Young,
Jones & Weintraub P.C.
10100 Santa Monica Blvd., 11th Floor
Los Angeles, CA 90067
Attn: Jeffrey N. Pomerantz
Telephone: (310) 277-6910
Facsimile: (310) 201-0760

BONNEVILLE:

Bonneville Power Administration
P.O. Box 3621 – KFRO-2
Portland, OR 97008-3621
Attn: Mr. James Dowty
Telephone: (503) 230-3661
Facsimile: (503) 230-3447

(or to such other addresses and facsimile numbers as a party may designate as to itself by notice to the other parties). Notwithstanding any of the foregoing, any computation of a time period which is to begin after receipt of a notice by the Escrow Agent shall run from the date of receipt by it.

8. **Successors.** This Escrow Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided that this Escrow Agreement may not be assigned by any party without the prior written consent of the other parties, which consent shall not be unreasonably withheld.

9. **Severability.** If any portion or provision of this Escrow Agreement shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Escrow Agreement shall be construed by modifying or limiting it so as to be valid and enforceable to the maximum extent compatible with, and possible under, applicable law. The provisions hereof are severable, and in the event any provision hereof should be held invalid or unenforceable in any respect, it shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

10. **Amendments.** This Escrow Agreement may be amended or modified at any time or from time to time in writing executed by all parties to this Escrow Agreement.

11. **Applicable Law.** This Escrow Agreement shall be construed and interpreted, and the rights of the parties shall be determined, in accordance with federal law.

12. **JURISDICTION.** THE BANKRUPTCY COURT SHALL HAVE EXCLUSIVE JURISDICTION TO RESOLVE DISPUTES ARISING UNDER THIS ESCROW AGREEMENT.

13. **Waiver.** No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of

any term or obligation of this Escrow Agreement, or the waiver by any party of any breach of this Escrow Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

14. **Headings.** The headings and captions in this Escrow Agreement are for convenience of reference only and shall not in any way affect the meaning or interpretation of this Escrow Agreement.

15. **Counterparts.** This Escrow Agreement may be executed in any number of counterparts and by each of the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the undersigned have executed this Escrow Agreement as of the date first written above.

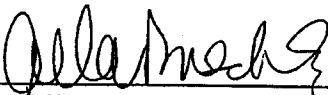
DEBTOR:

**Longview Aluminum, L.L.C., a
Delaware limited liability company and
Debtor and Debtor in Possession**

By: _____
Name: _____
Its: _____

BONNEVILLE:

Bonneville Power Administration

By: 
Name: Allan F. Paschke
Its: Transmission Account Executive for Longview
Aluminum L.L.C.

Dated: April 16, 2003

any term or obligation of this Escrow Agreement, or the waiver by any party of any breach of this Escrow Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

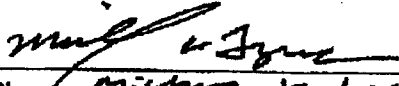
14. **Headings.** The headings and captions in this Escrow Agreement are for convenience of reference only and shall not in any way affect the meaning or interpretation of this Escrow Agreement.

15. **Counterparts.** This Escrow Agreement may be executed in any number of counterparts and by each of the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the undersigned have executed this Escrow Agreement as of the date first written above.

DEBTOR:

Longview Aluminum, L.L.C., a
Delaware limited liability company and
Debtor and Debtor in Possession

By: 
Name: Michael W. Lynn
Its: Manager

BONNEVILLE:

Bonneville Power Administration

By: _____
Name: _____
Its: _____

ALBINA COMMUNITY BANK,
as Escrow Agent

By: [Signature]
Name: Lihua Lennox
Title: Branch Manager, M.L.K. Branch
Dated: April 17, 2003



Albina Community Bank

Lihua Lennox
Assistant Vice President
Branch Manager

(503) 331-3785 fax (503) 287-1501

e-mail: llennox@albinabank.com

2002 NE Martin Luther King Jr. Blvd., Portland, OR 97212

Visit us online at: www.albinabank.com

Schedule 1

Effective Date: April __, 2003

Escrow Deposit:

Deposit	Amount	Date of Deposit
April 2003	\$131,215.00	April __, 2003

Investment:

[specify]

☒ A Business Money Market Account Number 001308661

Entitled "Albina Community Bank as Escrow Agent for Bonneville Power Administration"

☐ A _____ Demand Deposit Account Number _____

☐ A _____ Passbook Savings Account Number _____

BONNEVILLE POWER ADMINISTRATION

Notice Address: P.O. Box 3621 – KFRO-2

Portland, OR 97008-3621

Attn: Mr. James Dowty

Telephone: (503) 230-3661

FAX: (503) 230-3447

e-mail: jndowty@bpa.gov

TIN: 93-0334712

LONGVIEW ALUMINUM, L.L.C.

Notice Address:

Longview Aluminum, L.L.C.

20 S. Clark St., Suite 850

Chicago, IL 60603

Attention: Mr. Michael Lynch

Telephone: (312) 795-9705

Facsimile: (312) 795-9715

e-mail: michael.lynch(a)longviewaluminum.com

TIN: 36-4413745

Pachulski, Stang, Ziehl, Young,

Jones & Weintraub P.C.

919 North Market Street

Suite 1600

Wilmington, DE 19801

Attn: Laura Davis Jones

Telephone: (302) 652-4100

Facsimile: (302) 652-4400

e-mail: ljones@pszyj.com

Pachulski, Stang, Ziehl, Young,

Jones & Weintraub P.C.

10100 Santa Monica Blvd., 11th Floor
Los Angeles, CA 90067
Attn: Jeffrey N. Pomerantz
Telephone: (310) 277-6910
Facsimile: (310) 201-0760
e-mail: JPomerantz@pszyjw.com

Escrow Agent notice address:

Albina Community Bank
2002 NE Martin Luther King Jr. Blvd
Portland, OR 97212
Attention: Ms. Lihua Lennox, Branch Manager
Telephone: (503) 331-3785
Fax: (503) 287-1501
e-mail: llennox@albinabank.com

Escrow Agent's compensation: No fees will be charged by the Escrow Agent



**Development
Specialists, Inc.**

Management Consulting Services in the Areas of:
Reorganization • Bankruptcy • Turnaround Management • Business Workouts

February 9, 2004

VIA FACSIMILE (503) 287-1501

Ms. Lihua Lennox
Branch Manager
Albina Community Bank
2002 NE Martin Luther King Jr. Blvd
Portland, Oregon 97212

RE: Escrow Agreement by and among Longview Aluminum, L.L.C. ("Longview")
Bonneville Power Administration ("BPA") and Albina Community Bank (the
"Agreement")


Dear Ms. Lennox:

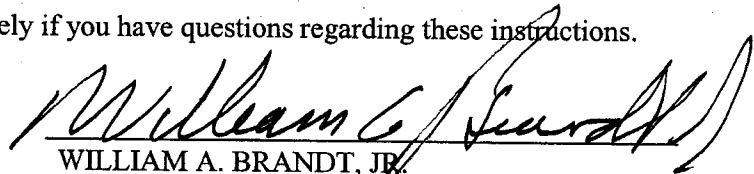
Pursuant to paragraph 3 of the Agreement (copy attached), this constitute the joint written instructions of William A. Brandt, Jr., as the chapter 11 trustee for the estate of Longview, and BPA for the release of the Escrowed Funds in the Escrow Account, as established and defined under the Agreement. Longview and BPA request that the Escrowed Funds be disbursed as follows:

two-thirds (2/3) to BPA per the attached wiring instructions; and

one-third (1/3) to Longview per the attached wiring instructions.

Please contact the undersigned immediately if you have questions regarding these instructions.


JAMES DOWTY
Financial Specialist
Bonneville Power Administration
P.O. Box 3621 - KFRO-2
Portland, Oregon 97008-3621
(503) 230-3661


WILLIAM A. BRANDT, JR.
Chapter 11 Trustee of Longview Aluminum, L.L.C.
Development Specialists Inc.
Three First National Plaza
70 West Madison Street
Suite 2300
Chicago, Illinois 60602-4250
(312) 263-4141

cc: Michael Lynch (312) 795-9715 (w/o attachments)
Laura Davis Jones (302) 652-4400 (w/o attachments)
Jeffrey N. Pomerantz (310) 201-0760 (w/o attachments)

Reply to:

<input type="checkbox"/> SAN FRANCISCO	345 California Street	Suite 1150	San Francisco, California 94104-2664	Telephone 415.981.2717	Telecopier 415.981.2718
<input type="checkbox"/> CHICAGO	Three First National Plaza	Suite 2300	Chicago, Illinois 60602-4250	Telephone 312.263.4141	Telecopier 312.263.1180
<input type="checkbox"/> LOS ANGELES	333 South Grand Avenue	Suite 2010	Los Angeles, California 90071-1524	Telephone 213.617.2717	Telecopier 213.617.2718
<input type="checkbox"/> NEW YORK	26 Broadway		New York, New York 10004-1840	Telephone 212.425.4141	Telecopier 212.425.9141
<input type="checkbox"/> MIAMI	200 South Biscayne Boulevard	Suite 900	Miami, Florida 33131-2321	Telephone 305.374.2717	Telecopier 305.374.2718
<input type="checkbox"/> BOSTON	Two Oliver Street	Eleventh Floor	Boston, Massachusetts 02109-4901	Telephone 617.423.2717	Telecopier 617.423.2718
<input type="checkbox"/> COLUMBUS	6375 Riverside Drive	Suite 200	Dublin, Ohio 43017-5373	Telephone 614.734.2717	Telecopier 614.734.2718
<input type="checkbox"/> LONDON	Devonshire House	60 Goswell Road	London EC1M7AD, United Kingdom	Telephone 020.7250.3260	Telecopier 020.7566.4010

bcc:

E. Acosta – KFRO-2
M.J. Adams – KFRO-2
J. Dowty – KFRO-2
N. Hagen – KFRO-2
B. Kluegel – KFRO-2
M. Lindell – KFRO-2
S. McGuire – KFRO-2
N. Pluid – KFRO-2
P. Rowe – KFRO-2
S. Schwarz – KFRO-2
M. Simbala – KFRO-2
K. Runzler – LP-7
S. Millar – LT-7
J. Traversie – PSR-6
M. Miller – PT-5
H. Clark – PTS-5
B. Lahmann – TM-OPP-2
A. Paschke – TM-OPP-2
M. McDaniel – TMC-OPP-2
E. Peterson – TOC-PP02-1
M. Troy - USDOJ
Official File – KFRO (FI-23)

JDowty:slr:3661:2/12/2004 (HQPRINT1\HQ2L22-KFRO-2-W:\FinOps\KFRO\Contracts\Longview Aluminum\Longview Jan 2004 True-Up Ltr.doc)

William A. Brandt, Jr.
Development Specialists, Inc.
312/263-4141
312/263-1180 (Fax)
e-mail address: bbrandt@dsi.biz

True-Up Worksheet

LONGVIEW ALUMINUM L.L.C. POST PETITION PAYMENTS TO BPA

As of: February 12, 2004

SERVICE MONTH	DATE PAYMENT RECEIVED	PAYMENT FOR POWER ¹	PAYMENT FOR TRANSMISSION SERVICE	TOTAL PAYMENT RECEIVED	POSITIVE CARRYOVER AVAILABLE	TOTAL OF CARRYOVER + PAYMENTS	PBL ACTUAL BILL	TBL ACTUAL BILL	COMBINED TOTAL OF PBL & TBL BILLS	CARRYOVER BALANCE OR (AMOUNT OWED TO BPA)
Jan-2004	2/6&9/2004	\$ 37,323.00	\$ 21,968.00	\$ 59,291.00	0.00	\$ 59,291.00	\$ 33,168.00	\$ 45,944.00	\$ 79,112.00	\$ (19,821.00)
Feb-2004	2/6&9/2004	\$ 60,000.00	\$ 21,968.00	\$ 81,968.00	0.00	\$ 81,968.00				

1/ Previous Carryover amount of \$37,323 shown as Prepayment for Power for Jan-2004 per Stipulation

POWER BILL

Purchaser: Longview Aluminum LLC
Invoice Number: JAN04-PWR01-M01-10679
Issue Date: February 12, 2004

Billing Period: January 2004
Period Ending: January 31, 2004

GENERATION

Rate Schedule	Service Description	Contract Number	Service Amount	Service Unit	Rate	Revenue \$
FPS-96	Energy HLH	10769	416,000	kWh @	0.0463125	19,266
FPS-96	Energy LLH	10769	328,000	kWh @	0.0423839	13,902
FPS-96	Prepayment Credit	10769	-1	Mo @	33,168.0000000	(33,168)

Total	\$0
--------------	------------

FINAL

BPA - TRANSMISSION STATEMENT

Purchaser: LONGVIEW ALUMINUM LLC
 Bill ID: T-04634-01
 Issue date: February 12, 2004

Billing Period: January, 2004
 Period Ending: January 31, 2004

TRANSMISSION

RATE SCHEDULE	ITEM DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
NT-04	Base Charge	10681	2,000	kW @	1.02800	2,056
NT-04	Load Shaping Charge	10681	2,000	kW @	0.42500	850
ACS-04	SCD NT Long Term Firm	10681	2,000	kW @	0.16600	332
ACS-04	GSR NT Long Term Firm	10681	2,000	kW @	0.06700	134
ACS-04	Reg & Frequency Response	10681	1,441,500	kWh @	0.00030	432
ACS-04	EI + Dev in Band 1 HLH LVA	10681	406,500	kWh @	0.04633	18,833
ACS-04	EI + Dev In Band 1 LLH LVA	10681	291,000	kWh @	0.04203	12,231
ACS-04	Spin Resrv Requirement	10681	3,179	kWh @	0.00839	314
ACS-04	Supp Resrv Requirement	10681	37,429	kWh @	0.00839	314
GRSP-04	DSI Delivery Charge	10681		Mo @	9,468.00000	9,468
GRSP-04	PFP Lagging Ratchet	10681	3,500	kVAr @	0.28000	980
OTHER	Advanced Service Payment	10681	21,968	Ea @	1.00000	-21,968
OTHER	December Prepayment Carryover	10681	4,155	Ea @	1.00000	-4,155
Subtotal						\$19,821

NOTES:

PAYMENT IS DUE IN ACCORD WITH THE SETTLEMENT AGREEMENT RATHER THAN AS STATED ON THE FIRST PAGE OF THIS BILL.
 Energy imbalance is computed as though 1 MWh/hr was scheduled each hour of the month.

Questions regarding this Transmission Statement may be directed to William B. Leonard, (360) 418-8654.
 Mail inquiries may be directed to Bonneville Power Administration, Transmission Billing - TMB/MODD PO Box 61571,
 Vancouver WA 98666-1571.

Bonneville

POWER ADMINISTRATION

POWER BILL

FINAL

Longview Aluminum LLC
William A Brandt, Jr., Trustee
Development Specialists, Inc.
70 West Madison Street, Suite 2300
Chicago, IL 60602

Bill ID: FEB04-PWR01-M01-10679
Issue Date: March 03, 2004
Bill Period: February 2004
Period Ending: February 29, 2004

PAYMENT SUMMARY

Total Amount Calculated For This Bill	\$0
Total Amount Due	\$0

FINAL

Bills should be paid by electronic funds transfer unless otherwise specifically provided. If pre-approved by BPA, mail check or money order payable to Bonneville Power Administration, P. O. Box 60000 File #74038, San Francisco, CA 94160-4038 and send a copy of the bill or write identifiable account numbers on or attached to your check.

Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

Thank you, we appreciate your business.

Bonneville

POWER ADMINISTRATION

WHOLESALE TRANSMISSION BILL

FINAL

LONGVIEW ALUMINUM LLC
WILLIAM A. BRANDT, JR., TRUSTEE
DEVELOPMENT SPECIALISTS, INC.
70 WEST MADISON STREET, SUITE 2300
CHICAGO IL 60602

Bill ID : **T-04684-01**
Issue Date : **March 3, 2004**
Billing Period : **February, 2004**
Period Ending : **February 29, 2004**
Customer Number : **10679**

PAYMENT SUMMARY

TRANSMISSION STATEMENT
TOTAL AMOUNT DUE

\$0
\$0

BPA Payment Information: Bills should be paid by electronic funds transfer unless another method is approved. Late payment charges will be assessed if payment is not received by close of business on the due date. All debts are subject to collection under applicable Federal Laws.

Thank you, we appreciate your business.

bcc:

E. Acosta – KFRO-2
M.J. Adams – KFRO-2
J. Dowty – KFRO-2
N. Hagen – KFRO-2
B. Kluegel – KFRO-2
M. Lindell – KFRO-2
S. McGuire – KFRO-2
N. Pluid – KFRO-2
P. Rowe – KFRO-2
S. Schwarz – KFRO-2
M. Simbala – KFRO-2
K. Runzler – LP-7
S. Millar – LT-7
J. Traversie – PSR-6
M. Miller – PT-5
H. Clark – PTS-5
L. Harris-Proctor – TM-DITT2
B. Lahmann – TM-OPP-2
A. Paschke – TM-OPP-2
M. McDaniel – TMC-OPP-2
E. Peterson – TOC-PP02-1
Official File – KFRO (FI-23)

JDowty:slr:3661:3/4/2004 (HQPRINT1\HQ2L22-KFRO-2-W\FinOps\KFRO\Contracts\Longview Aluminum\Longview Feb 2004 True-Up Ltr.doc)

Jim Moore
Development Specialists, Inc.
312/263-4141
312/263-1180 (Fax)
e-mail address: jmoore@dsi.biz



MATTHEW J. TROY
(E-mail).vcf



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

FINANCE

March 3, 2004

In reply refer to: KFRO-2

Jim Moore
Development Specialists, Inc.
Chapter 11 Trustee of Longview Aluminum, L.L.C.
70 West Madison Street, Suite 2300
Chicago, Illinois 60602

Dear Mr. Moore:

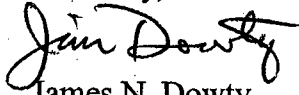
Enclosed please find the true-up bill for actual power and transmission services provided during February 2004 by the Bonneville Power Administration (BPA) to Longview Aluminum, L.L.C. (Longview). Pursuant to the Stipulation settling certain transmission and power service issues in the Longview Bankruptcy, Case No. 03-12184 (the "Settlement"):

- i. The positive net difference, if any, will be credited against the amounts to be pre-paid by Longview for power and transmission service provided by BPA to Longview in the subsequent month or months.
- ii. The negative net difference, if any, not covered by a net carryover balance from the preceding month would be paid to BPA by Longview no later than 5 business days after BPA issues a true-up bill.

The true up for February 2004 resulted in a positive net difference of \$19,754. Since Longview has already prepaid BPA for March 2004 power and transmission service, the positive net difference of \$19,754 is available to be credited against the amount that will be owed as prepayment for power and transmission services for April 2004. Please reduce that prepayment by \$19,754 prior to remitting the payment to BPA.

Please call Jim Dowty at (503) 230-3661 or Matt Troy at (202) 307-0488 if you have questions. You will find attached a true-up worksheet and copies of the power and transmission bills for February 2004.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jim Dowty".

James N. Dowty
Financial Specialist, Accounting Operations

cc: Matthew Troy, USDOJ

Enclosures (3)

True-Up Worksheet

LONGVIEW ALUMINUM L.L.C. POST PETITION PAYMENTS TO BPA

As of: March 3, 2004

SERVICE MONTH	DATE PAYMENT RECEIVED	PAYMENT FOR POWER ¹	PAYMENT FOR TRANSMISSION SERVICE	TOTAL PAYMENT RECEIVED	POSITIVE CARRYOVER AVAILABLE FROM TWO MONTH AGO TRUE-UP ²	TOTAL OF CARRYOVER + PAYMENTS	PBL ACTUAL BILL	TBL ACTUAL BILL	COMBINED TOTAL OF PBL & TBL BILLS	CARRYOVER BALANCE OR (AMOUNT OWED TO BPA)	DATE TRUE-UP AMOUNT OWED TO BPA PAID
Jan-2004	2/6&9/2004	\$ 37,323.00	\$ 21,968.00	\$ 59,291.00	\$ -	\$ 59,291.00	\$ 33,168.00	\$ 45,944.00	\$ 79,112.00	\$ (19,821.00)	2/17/2004
Feb-2004	2/6&9/2004	\$ 60,000.00	\$ 21,968.00	\$ 81,968.00	\$ -	\$ 81,968.00	\$ 56,929.00	\$ 5,285.00	\$ 62,214.00	\$ 19,754.00	N/A
Mar-2004	3/1/2004	\$ 57,288.00	\$ 21,968.00	\$ 79,256.00		\$ 79,256.00			\$ -		
Apr-2004				\$ -	\$ 19,754.00	\$ 19,754.00			\$ -		
May-2004				\$ -		\$ 19,754.00			\$ -	\$ -	

1/ Previous Carryover amount of \$37,323 shown as Prepayment for Power for Jan-2004 per Stipulation

2/ Prepayment to BPA will be reduced by positive carry-over amount

Bonneville

POWER ADMINISTRATION

POWER BILL

FINAL

Longview Aluminum LLC
William A Brandt, Jr., Trustee
Development Specialists, Inc.
70 West Madison Street, Suite 2300
Chicago, IL 60602

Bill ID: FEB04-PWR01-M01-10679
Issue Date: March 03, 2004
Bill Period: February 2004
Period Ending: February 29, 2004

PAYMENT SUMMARY

Total Amount Calculated For This Bill	\$0
Total Amount Due	\$0

FINAL

Bills should be paid by electronic funds transfer unless otherwise specifically provided. If pre-approved by BPA, mail check or money order payable to Bonneville Power Administration, P. O. Box 60000 File #74038, San Francisco, CA 94160-4038 and send a copy of the bill or write identifiable account numbers on or attached to your check.

Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

Thank you, we appreciate your business.

POWER BILL

Purchaser: Longview Aluminum LLC
Invoice Number: FEB04-PWR01-M01-10679
Issue Date: March 03, 2004

Billing Period: February 2004
Period Ending: February 29, 2004

GENERATION

Rate Schedule	Service Description	Contract Number	Service Amount	Service Unit	Rate	Revenue \$
FPS-96	Energy HLH	10769	768,000	kWh @	0.0416719	32,004
FPS-96	Energy LLH	10769	624,000	kWh @	0.0399441	24,925
FPS-96	Prepayment Credit	10769	-1	Mo @	56,929.0000000	(56,929)

Total	\$0
--------------	------------

FINAL

Bonneville

POWER ADMINISTRATION

WHOLESALE TRANSMISSION BILL FINAL

LONGVIEW ALUMINUM LLC
WILLIAM A. BRANDT, JR., TRUSTEE
DEVELOPMENT SPECIALISTS, INC.
70 WEST MADISON STREET, SUITE 2300
CHICAGO IL 60602

Bill ID : T-04684-01
Issue Date : March 3, 2004
Billing Period : February, 2004
Period Ending : February 29, 2004
Customer Number : 10679

PAYMENT SUMMARY

TRANSMISSION STATEMENT
TOTAL AMOUNT DUE

\$0
\$0

BPA Payment Information: Bills should be paid by electronic funds transfer unless another method is approved. Late payment charges will be assessed if payment is not received by close of business on the due date. All debts are subject to collection under applicable Federal Laws.

Thank you, we appreciate your business.

BPA - TRANSMISSION STATEMENT

Purchaser: LONGVIEW ALUMINUM LLC

Billing Period: February, 2004

Bill ID: T-04684-01

Period Ending: February 29, 2004

Issue date: March 3, 2004

TRANSMISSION

RATE SCHEDULE	ITEM DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
NT-04	Base Charge	10681	1,500	kW @	1.02800	1,542
NT-04	Load Shaping Charge	10681	1,500	kW @	0.42500	638
ACS-04	SCD NT Long Term Firm	10681	1,500	kW @	0.16600	249
ACS-04	GSR NT Long Term Firm	10681	1,500	kW @	0.06700	101
ACS-04	Reg & Frequency Response	10681	1,182,500	kWh @	0.00030	355
ACS-04	EI - Dev in Band 1 HLH LVA	10681	-116,000	kWh @	0.04167	-4,834
ACS-04	EI - Dev in Band 1 LLH LVA	10681	-93,500	kWh @	0.03989	-3,730
ACS-04	Spin Resrv Requirement	10681	30,745	kWh @	0.00839	258
ACS-04	Supp Resrv Requirement	10681	30,745	kWh @	0.00839	258
GRSP-04	DSI Delivery Charge	10681		Mo @	9,468.00000	9,468
GRSP-04	PFP Lagging Ratchet	10681	3,500	KVAr @	0.28000	980
OTHER	Advanced Service Payment	10681	5,285	Ea @	1.00000	-5,285
Subtotal						\$0

NOTES:

Energy imbalance is computed as though 12 MWh/hr were scheduled each hour of the month.

Questions regarding this Transmission Statement may be directed to William B. Leonard, (360) 418-8654.
Mail inquiries may be directed to Bonneville Power Administration, Transmission Billing - TMB/MODD PO Box 61571,
Vancouver WA 98666-1571.

bcc:

N. Hagen – KFR-2
E. Acosta – KFRO-2
M.J. Adams – KFRO-2
J. Dowty – KFRO-2
B. Kluegel – KFRO-2
M. Lindell – KFRO-2
S. McGuire – KFRO-2
N. Pluid – KFRO-2
P. Rowe – KFRO-2
S. Schwarz – KFRO-2
M. Simbala – KFRO-2
K. Runzler – LP-7
S. Millar – LT-7
J. Traversie – PSR-6
M. Miller – PT-5
H. Clark – PTS-5
L. Harris-Proctor – TM-DITT2
B. Lahmann – TM-OPP-2
A. Paschke – TM-OPP-2
M. McDaniel – TMC-OPP-2
E. Peterson – TOC-PP02-1
Official File – KFRO (FI-23)

JDowty:slr:3661:4/8/2004 (HQPRINT\HQ2L22-KFRO-2-W\FinOps\KFRO\Contracts\Longview Aluminum\Longview March 2004 True-Up Ltr.doc)

Jim Moore
Development Specialists, Inc.
312/263-4141
312/263-1180 (Fax)
e-mail address: jmoore@dsi.biz



MATTHEW J. TROY
(E-mail).vcf



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

FINANCE

APR - 9 2004

In reply refer to: KFRO-2

Jim Moore
Development Specialists, Inc.
Chapter 11 Trustee of Longview Aluminum, L.L.C.
70 West Madison Street, Suite 2300
Chicago, Illinois 60602

Dear Mr. Moore:

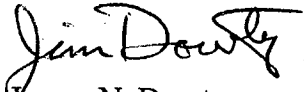
Enclosed please find the true-up bill for actual power and transmission services provided during March 2004 by the Bonneville Power Administration (BPA) to Longview Aluminum, L.L.C. (Longview). Pursuant to the Stipulation settling certain transmission and power service issues in the Longview Bankruptcy, Case No. 03-12184 (the "Settlement"):

- i. The positive net difference, if any, will be credited against the amounts to be pre-paid by Longview for power and transmission service provided by BPA to Longview in the subsequent month or months.
- ii. The negative net difference, if any, not covered by a net carryover balance from the preceding month would be paid to BPA by Longview no later than 5 business days after BPA issues a trued-up bill.

The true-up for March 2004 resulted in a positive net difference of \$7,460. Since Longview has already prepaid BPA for April 2004 power and transmission service, the positive net difference of \$7,460 is available to be credited against the amount that will be owed as prepayment for power and transmission services for May 2004. Please reduce that prepayment by \$7,460 prior to remitting the payment to BPA.

Please call Jim Dowty at (503) 230-3661 or Matt Troy at (202) 307-0488 if you have questions. You will find attached a true-up worksheet and copies of the power and transmission bills for March 2004.

Sincerely,

A handwritten signature in cursive script that reads "Jim Dowty".

James N. Dowty
Financial Specialist, Accounting Operations

cc: Matthew Troy, USDOJ

Enclosures (3)

True-Up Worksheet

LONGVIEW ALUMINUM L.L.C.
POST PETITION PAYMENTS TO BPA

As of: April 6, 2004

SERVICE MONTH	DATE PAYMENT RECEIVED	PAYMENT FOR POWER ¹	PAYMENT FOR TRANSMISSION SERVICE	TOTAL PAYMENT RECEIVED	POSITIVE CARRYOVER AVAILABLE FROM TWO MONTH AGO TRUE-UP ²	TOTAL OF CARRYOVER + PAYMENTS	PBL ACTUAL BILL	TBL ACTUAL BILL	COMBINED TOTAL OF PBL & TBL BILLS	CARRYOVER BALANCE OR (AMOUNT OWED TO BPA)	DATE TRUE-UP AMOUNT OWED TO BPA PAID
Jan-2004	2/6&9/2004	\$ 37,323.00	\$ 21,968.00	\$ 59,291.00	\$ -	\$ 59,291.00	\$ 33,168.00	\$ 45,944.00	\$ 79,112.00	\$ (19,821.00)	2/17/2004
Feb-2004	2/6&9/2004	\$ 60,000.00	\$ 21,968.00	\$ 81,968.00		\$ 81,968.00	\$ 56,929.00	\$ 5,285.00	\$ 62,214.00	\$ 19,754.00	N/A
Mar-2004	3/1/2004	\$ 57,288.00	\$ 21,968.00	\$ 79,256.00	\$ -	\$ 79,256.00	\$ 54,960.00	\$ 16,836.00	\$ 71,796.00	\$ 7,460.00	
Apr-2004	2/26/2004	\$ 28,850.00	\$ 21,968.00	\$ 50,818.00	\$ 19,754.00	\$ 70,572.00			\$ -		
May-2004				\$ -	\$ 7,460.00				\$ -		

1/ Previous Carryover amount of \$37,323 shown as Prepayment for Power for Jan-2004 per Stipulation

2/ Prepayment to BPA will be reduced by positive carry-over amount

Bonneville

POWER ADMINISTRATION

POWER BILL

FINAL

Longview Aluminum LLC
William A Brandt, Jr., Trustee
Development Specialists, Inc.
70 West Madison Street, Suite 2300
Chicago, IL 60602

Bill ID: MAR04-PWR01-M01-10679
Issue Date: April 06, 2004
Bill Period: March 2004
Period Ending: March 31, 2004

PAYMENT SUMMARY	
------------------------	--

Total Amount Calculated For This Bill	\$0
Total Amount Due	\$0

FINAL

Bills should be paid by electronic funds transfer unless otherwise specifically provided. If pre-approved by BPA, mail check or money order payable to Bonneville Power Administration, P. O. Box 60000 File #74038, San Francisco, CA 94160-4038 and send a copy of the bill or write identifiable account numbers on or attached to your check.

Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

Thank you, we appreciate your business.

POWER BILL

Purchaser: Longview Aluminum LLC
Invoice Number: MAR04-PWR01-M01-10679
Issue Date: April 06, 2004

Billing Period: March 2004
Period Ending: March 31, 2004

GENERATION

Rate Schedule	Service Description	Contract Number	Service Amount	Service Unit	Rate	Revenue \$
FPS-96	Energy HLH	10769	864,000	kWh @	0.0384954	33,260
FPS-96	Energy LLH	10769	624,000	kWh @	0.0347749	21,700
FPS-96	Prepayment Credit	10769	-1	Mo @	54,960.0000000	(54,960)

Total

\$0

FINAL

Bonneville

POWER ADMINISTRATION

WHOLESALE TRANSMISSION BILL

FINAL

LONGVIEW ALUMINUM LLC
WILLIAM A. BRANDT, JR., TRUSTEE
DEVELOPMENT SPECIALISTS, INC.
70 WEST MADISON STREET, SUITE 2300
CHICAGO IL 60602

Bill ID : **T-04889-01**
Issue Date : **April 7, 2004**
Billing Period : **March, 2004**
Period Ending : **March 31, 2004**
Customer Number : **10679**

PAYMENT SUMMARY

TRANSMISSION STATEMENT
TOTAL AMOUNT DUE

\$0
\$0

FINAL

BPA Payment Information: Bills should be paid by electronic funds transfer unless another method is approved. Late payment charges will be assessed if payment is not received by close of business on the due date. All debts are subject to collection under applicable Federal Laws.

Thank you, we appreciate your business.

BPA - TRANSMISSION STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
 Bill ID: T-04889-01
 Issue date: April 7, 2004

Billing Period: March, 2004
 Period Ending: March 31, 2004

TRANSMISSION

RATE SCHEDULE	ITEM DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
NT-04	Base Charge	10681	2,000	kW @	1.02800	2,056
NT-04	Load Shaping Charge	10681	2,000	kW @	0.42500	850
ACS-04	SCD NT Long Term Firm	10681	2,000	kW @	0.16600	332
ACS-04	GSR NT Long Term Firm	10681	2,000	kW @	0.06700	134
ACS-04	Reg & Frequency Response	10681	1,535,500	kWh @	0.00030	461
ACS-04	EI + Dev in Band 1 HLH LVA	10681	34,500	kWh @	0.03850	1,328
ACS-04	EI - Dev in Band 1 LLH LVA	10681	1,000	kWh @	0.03466	-35
ACS-04	EI + Dev in Band 2 HLH LVA	10681	13,500	kWh @	0.04252	574
ACS-04	EI + Dev in Band 2 LLH LVA	10681	500	kWh @	0.03554	18
ACS-04	Spin Resrv Requirement	10681	39,923	kWh @	0.00839	335
ACS-04	Supp Resrv Requirement	10681	39,923	kWh @	0.00839	335
GRSP-04	DSI Delivery Charge	10681	1	Mo @	9,468.00000	9,468
GRSP-04	PFP Lagging Ratchet	10681	3,500	kVAr @	0.28000	980
OTHER	Advanced Service Payment	10681	-16,836	Ea @	1.00000	-16,836
Subtotal						\$0

NOTES:

Energy imbalance is computed as though 2 MWh/hr were scheduled each hour of the month.

Questions regarding this Transmission Statement may be directed to William B. Leonard, (360) 418-8654.
 Mail inquiries may be directed to Bonneville Power Administration, Transmission Billing - TMB/MODD PO Box 61571,
 Vancouver WA 98666-1571.

LONGVIEW ALUMINUM LLC
 PS No.10679

TX Supplement
 Bill ID: T-04889-01

RATE SCHEDULE	ITEM DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	CHARGE \$						
NT-04	Base Charge	10681	2,000	kW	1.02800	2,056						
NT-04	Load Shaping Charge	10681	2,000	kW	0.42500	850						
ACS-04	SCD NT Long Term Firm	10681	2,000	kW	0.16600	332						
ACS-04	GSR NT Long Term Firm	10681	2,000	kW	0.06700	134						
ACS-04	Reg & Frequency Response	10681	1,535,500	kWh	0.00030	461						
ACS-04	EI + Dev in Band 1 HLH LVA	10681	34,500	kWh	0.03850	1,328						
ACS-04	EI - Dev in Band 1 LLH LVA	10681	-1,000	kWh	0.03466	-35						
ACS-04	EI + Dev in Band 2 HLH LVA	10681	13,500	kWh	0.04252	574						
ACS-04	EI + Dev in Band 2 LLH LVA	10681	500	kWh	0.03554	18						
ACS-04	Spin Resrv Requirement	10681	39,923	kWh	0.00839	335						
ACS-04	Supp Resrv Requirement	10681	39,923	kWh	0.00839	335						
GRSP-04	DSI Delivery Charge	10681	1	Mo	9,468.00000	9,468						
GRSP-04	PFP Lagging Ratchet	10681	3,500	kVAr	0.28000	980						
OTHER	Advanced Service Payment	10681	-16,836	Ea	1.00000	-16,836						
TOTAL CHARGES \$0												
BPA LOAD CONTROL AREA												
POD	Delivery Point / Meterpoint Schedule	ID#	Demand Pulses	Constant	Net Demand before losses	Loss Factor	Net Demand after losses	Energy	Loss Factor	Net Energy	Utility Delivery KW	
Longview 13.8 kV	Longview A Out	662	4	500,000	2,000	1,0000	2,000	1,535,500	1,0000	1,535,500	0	
SUB TOTALS							2,000	1,535,500		1,535,500	0	
NON BPA LOAD CONTROL AREA												
POD	Delivery Point / Meterpoint Schedule	ID#	Demand Pulses	Constant	Net Demand before losses	Loss Factor	Net Demand after losses	Energy	Loss Factor	Net Energy	Utility Delivery KW	
SUB TOTALS							0	0	0	0	0	0
Total Network Load							2,000				1,535,500	0
Declared Customer Served Load							0					
Base Charge							2,000					

LONGVIEW ALUMINUM LLC

PS No.10679

Power Factor Penalty Supplement

Bill ID: T-04889-01

POINT OF DELIVERY / INTEGRATION		Longview 13.8 kV	GROUP TOTAL
Is There Real Power Flow Back to BPA?		N	
REAL POWER(KW)			
MAXIMUM HOURLY REAL POWER DEMAND		5,000	
DATE OF MAXIMUM HOURLY REAL POWER DEMAND		03/19/2004	
HOUR OF MAXIMUM HOURLY REAL POWER DEMAND		8	
MINIMUM HOURLY REAL POWER DEMAND		1,000	
DATE OF MINIMUM HOURLY REAL POWER DEMAND		03/29/2004	
HOUR OF MINIMUM HOURLY REAL POWER DEMAND		14	
DEADBAND		1,250	
REACTIVE POWER (KVAR)			
MAXIMUM HLH LAGGING		3,500	
DATE OF MAXIMUM HLH LAGGING		03/10/2004	
HOUR OF MAXIMUM HLH LAGGING		8	
MAXIMUM LLH LEADING		0	
DATE OF MAXIMUM LLH LEADING			
HOUR OF MAXIMUM LLH LEADING			
CURRENT MONTH REACTIVE OUTSIDE DEADBAND (KVAR)			
HLH LAGGING		2,250	
LLH LEADING		0	
REACTIVE DEMAND BILLING FACTORS			
HLH LAGGING - CURRENT MONTH		0	0
HLH LAGGING - RATCHET		3,500	3,500
LLH LEADING - CURRENT MONTH		0	0
LLH LEADING - RATCHET		0	0
DATE OF HLH LAGGING RATCHET		08/2003	
DATE OF LLH LEADING RATCHET			

OPERATING RESERVES (01TX-10681)

	Total Network Load	1,535,500	Ancillary	Control Area Service
	Operating Reserves Residual Total	1,535,500 x 2.6%	39,923	
	Operating Reserves Billing Factors		39,923	0
Ancillary Services:				
Spin Resrv Requirement	39,923	Control Area Services:		0
Spin Resrv Energy	0	CA Spin Reserv Requirement		0
Supp Resrv Requirement	39,923	CA Spin Reserv Energy		0
Supp Resrv Energy	0	CA Supp Reserv Requirement		0
		CA Supp Reserv Energy		0

Ancillary vs. Control Area is case by case. Charge Ancillary if resource is transmitted per Tx service agreement. Charge Control Area Service if not (i.e. Utility's internal resource serving same utility's load)

ENERGY IMBALANCE BILL SUMMARY

T-ATTACHMENT

REPORT DATE: 07 Apr 2004 DATA THROUGH: 01 Apr 2004 BILL TYPE: Final
 CUSTOMER: LongviewAlum MONTH: Mar 2004
 BILL SUMMARY ID: 966

HOURS IN MONTH: 744
 HOURS WITH PRICE DATA: 744
 HOURS WITH METER DATA: 744
 HOURS WITH SCHEDULE DATA: 744

INTENTIONAL DEVIATIONS:

Positive deviations charged at greater of 100 mills or 125% of BPA's highest incremental cost for that day

of Hours with Positive Intentional Deviations: 0

of Hours with Negative Intentional Deviations: 0

Positive Intentional Deviations (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ NET CHARGE For Positive Intentional Deviations: \$0.00**POSITIVE DEVIATION = OVER-LOAD****NEGATIVE DEVIATION = UNDER-LOAD**

(0.0% of all hours in month)

(0.0% of all hours in month)

Negative Deviations Negated (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ Credit Negated, Int'l Deviation: \$0.00**ENERGY DEVIATIONS IN BAND 3:**

Positive deviations charged at 125% of BPA's highest incremental cost for that day (evaluated separately for HLH/LLH)

Negative deviations credited at 75% of BPA's lowest incremental cost for that day (evaluated separately for HLH/LLH)

HEAVY-LOAD HOURS

of Hours with Positive Deviations Culminating Within Band 3: 0

Positive Deviations Within Band 3 (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ NET CHARGE (CREDIT) For Positive Deviations Within Band 3, HLH: \$0.00

of Hours with Negative Deviations Culminating Within Band 3: 0

Negative Deviations Within Band 3 (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ NET CHARGE (CREDIT) For Negative Deviations Within Band 3, HLH: \$0.00

Net \$\$ Charge (or Credit) for HLH: \$0.00

(0.0% of all hours in month)

(0.0% of all hours in month)

Negative Deviations Negated (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ Credit Negated, HLH: \$0.00**LIGHT-LOAD HOURS**

of Hours with Positive Deviations Culminating Within Band 3: 0

Positive Deviations Within Band 3 (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ NET CHARGE (CREDIT) For Positive Deviations Within Band 3, LLH: \$0.00

of Hours with Negative Deviations Culminating Within Band 3: 0

Negative Deviations Within Band 3 (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ NET CHARGE (CREDIT) For Negative Deviations Within Band 3, LLH: \$0.00

Net \$\$ Charge (or Credit) for LLH: \$0.00

(0.0% of all hours in month)

(0.0% of all hours in month)

Negative Deviations Negated (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ Credit Negated, LLH: \$0.00**\$\$ CHARGE (CREDIT), DEVIATIONS WITHIN BAND 3: \$0.00****\$\$ CREDIT NEGATED, BAND 3: \$0.00****ENERGY DEVIATIONS IN BAND 2:**

Positive deviations charged at 110% of BPA's incremental cost for that day and hour

Negative deviations credited at 90% of BPA's incremental cost for that day and hour

HEAVY-LOAD HOURS

of Hours with Positive Deviations Culminating Within Band 2: 23

Positive Deviations Within Band 2 (mwh): 13.500

Avg. Weighted Price (\$/mwh): 42.519259

\$\$ NET CHARGE (CREDIT) For Positive Deviations Within Band 2, HLH: \$574.01

of Hours with Negative Deviations Culminating Within Band 2: 0

Negative Deviations Within Band 2 (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ NET CHARGE (CREDIT) For Negative Deviations Within Band 2, HLH: \$0.00

Net \$\$ Charge (or Credit) for HLH: \$574.01

(3.1% of all hours in month)

(0.0% of all hours in month)

Negative Deviations Negated (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ Credit Negated, HLH: \$0.00**LIGHT-LOAD HOURS**

of Hours with Positive Deviations Culminating Within Band 2: 1

Positive Deviations Within Band 2 (mwh): 0.500

Avg. Weighted Price (\$/mwh): 35.540000

\$\$ NET CHARGE (CREDIT) For Positive Deviations Within Band 2, LLH: \$17.77

of Hours with Negative Deviations Culminating Within Band 2: 0

Negative Deviations Within Band 2 (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ NET CHARGE (CREDIT) For Negative Deviations Within Band 2, LLH: \$0.00

Net \$\$ Charge (or Credit) for LLH: \$17.77

(0.1% of all hours in month)

(0.0% of all hours in month)

Negative Deviations Negated (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ Credit Negated, LLH: \$0.00**\$\$ CHARGE (CREDIT), DEVIATIONS WITHIN BAND 2: \$591.78****\$\$ CREDIT NEGATED, BAND 2: \$0.00**

T-ATTACHMENT

POSITIVE DEVIATION = OVER-LOAD

NEGATIVE DEVIATION = UNDER-LOAD

ENERGY DEVIATIONS IN BAND 1:

Net deviation balance charged at average market price for the month (evaluated separately for HLH/LLH)

HEAVY-LOAD HOURS

of Hours with Positive Deviations Culminating Within Band 1: 62

of Hours with Negative Deviations Culminating Within Band 1: 213

Net Deviations Within Band 1 (mwh): 34,500

Average Market Price for Month HLH \$/mwh: 38.495185

\$\$ NET CHARGE (CREDIT) For Deviations Within Band 1, HLH: \$1,328.08

LIGHT-LOAD HOURS

of Hours with Positive Deviations Culminating Within Band 1: 61

of Hours with Negative Deviations Culminating Within Band 1: 143

Net Deviations Within Band 1 (mwh): -1,000

Average Market Price for Month LLH \$/mwh: 34.664103

\$\$ NET CHARGE (CREDIT) For Deviations Within Band 1, LLH: (\$34.66)**\$\$ CHARGE (CREDIT), DEVIATIONS WITHIN BAND 1: \$1,293.42**

(8.3% of all hours in month)

(28.6% of all hours in month)

Negative Deviations Negated (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ Credit Negated, HLH: \$0.00

(8.2% of all hours in month)

(19.2% of all hours in month)

Negative Deviations Negated (mwh): 0.000

Avg. Weighted Price (\$/mwh): 0.000000

\$\$ Credit Negated, LLH: \$0.00**\$\$ CREDIT NEGATED, BAND 1: \$0.00**

ENERGY DEVIATIONS WITHIN THE SELF-PROVIDE BAND:

POSITIVE DEVIATION = OVER-LOAD

NEGATIVE DEVIATION = UNDER-LOAD

HEAVY-LOAD HOURS

of Hours with Positive Deviations Culminating Within Self-Provide Band 0

of Hours with Negative Deviations Culminating Within Self-Provide Band 0

Net MWH Deviations (For PBL) HLH: 0.000

(0.0% of all hours in month)

(0.0% of all hours in month)

LIGHT-LOAD HOURS

of Hours with Positive Deviations Culminating Within Self-Provide Band 0

of Hours with Negative Deviations Culminating Within Self-Provide Band 0

Net MWH Deviations (For PBL) LLH: 0.000

(0.0% of all hours in month)

(0.0% of all hours in month)

OTHER CRITERIA

Heavy-Load Hours (Mon-Sat) begin at HOUR ENDING: 7:00

Heavy-Load Hours (Mon-Sat) end at HOUR ENDING: 22:00

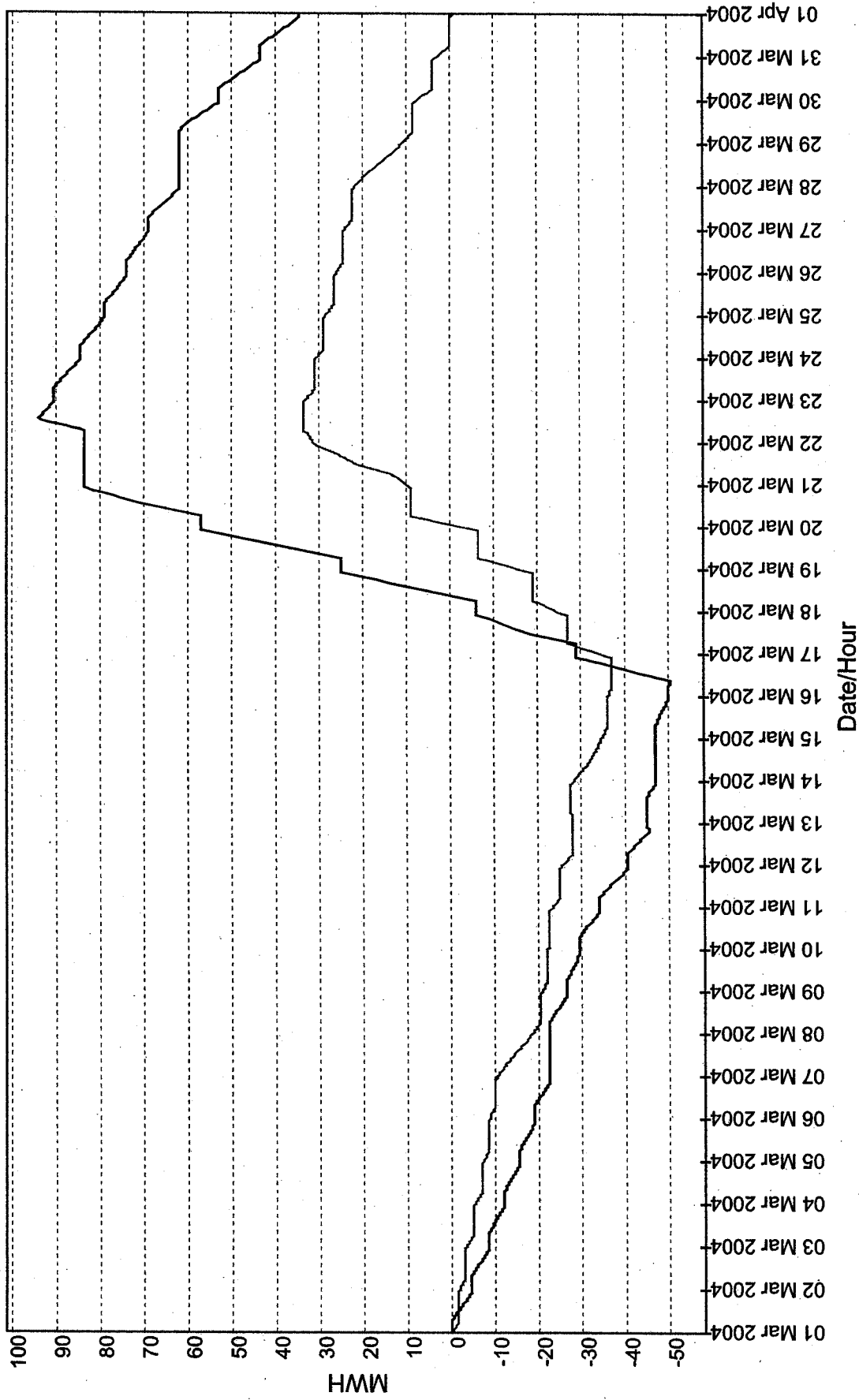
Number of Hours BPA Was in Spill Condition: 0

Number of Days BPA Was in Spill Condition: 0

TOTAL \$\$ CHARGE (OR CREDIT) \$1,885.20

ENERGY IMBALANCE: DEVIATION BALANCE WITHIN BPA-EI DEADBAND

LongviewAlum : Mar 2004



■ HEAVY-LOAD HOURS, WITHIN BPA EI-BAND, CURRENT BALANCE ■ LIGHT-LOAD HOURS, WITHIN BPA EI-BAND, CURRENT BALANCE



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

FINANCE

June 18, 2004

In reply refer to: KFRO-2

Jim Moore
Development Specialists, Inc.
Chapter 11 Trustee of Longview Aluminum, L.L.C.
70 West Madison Street, Suite 2300
Chicago, Illinois 60602

Dear Mr. Moore:

Enclosed please find the true-up bill for actual power and transmission services provided during May 2004 by the Bonneville Power Administration (BPA) to Longview Aluminum, L.L.C. (Longview). Pursuant to the Stipulation settling certain transmission and power service issues in the Longview Bankruptcy, Case No. 03-12184 (the "Settlement"):

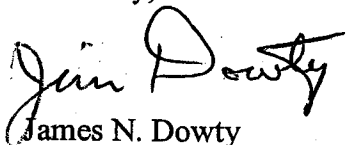
- i. The positive net difference, if any, will be credited against the amounts to be pre-paid by Longview for power and transmission service provided by BPA to Longview in the subsequent month or months.
- ii. The negative net difference, if any, not covered by a net carryover balance from the preceding month would be paid to BPA by Longview no later than 5 business days after BPA issues a true-up bill.

The true up for May 2004 resulted in a positive net difference of \$25,554. Since Longview has already prepaid BPA for June 2004 power and transmission service, the positive net difference of \$25,554 is available to be credited against the amount that will be owed as prepayment for power and transmission services for July 2004. Please reduce that prepayment by \$25,554 prior to remitting the payment to BPA.

The same difference on the transmission bill occurred for May 2004 as had occurred in April in that the credits for energy imbalance exceeded other charges so the transmission bill would have been a net credit of \$17,156. However, in order to simplify the recording of this credit and the consolidating of the power and transmission bills, as well as to preempt our billing system from trying to issue a refund, an amount equal to the credit was added as the last line on page two of the transmission bill (Advanced Service Payment) so that the transmission bill would equal zero. This additional amount is included in the carryover amount (\$25,554) shown in the enclosed True-Up worksheet.

Please call Jim Dowty at (503) 230-3661 or Matt Troy at (202) 307-0488 if you have questions. You will find attached a true-up worksheet and copies of the power and transmission bills for May 2004.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Dowty". The signature is written in a cursive, flowing style.

James N. Dowty
Financial Specialist, Accounting Operations

cc: Matthew Troy, USDOJ

Enclosures (3)

True-Up Worksheet

LONGVIEW ALUMINUM L.L.C.
POST PETITION PAYMENTS TO BPA

As of: June 16, 2004

SERVICE MONTH	DATE PAYMENT RECEIVED	PAYMENT FOR POWER ¹	PAYMENT FOR TRANSMISSION SERVICE	TOTAL PAYMENT RECEIVED	POSITIVE CARRYOVER AVAILABLE FROM TWO MONTH AGO TRUE-UP ²	TOTAL OF CARRYOVER + PAYMENTS	PBL ACTUAL BILL	TBL ACTUAL BILL	COMBINED TOTAL OF PBL & TBL BILLS	CARRYOVER BALANCE OR (AMOUNT OWED TO BPA)	DATE TRUE-UP AMOUNT OWED TO BPA PAID
Jan-2004	2/6&9/2004	\$ 37,323.00	\$ 21,968.00	\$ 59,291.00	\$ -	\$ 59,291.00	\$ 33,168.00	\$ 45,944.00	\$ 79,112.00	\$ (19,821.00)	2/17/2004
Feb-2004	2/6&9/2004	\$ 60,000.00	\$ 21,968.00	\$ 81,968.00		\$ 81,968.00	\$ 56,929.00	\$ 5,285.00	\$ 62,214.00	\$ 19,754.00	N/A
Mar-2004	3/1/2004	\$ 57,288.00	\$ 21,968.00	\$ 79,256.00	\$ -	\$ 79,256.00	\$ 54,960.00	\$ 16,836.00	\$ 71,796.00	\$ 7,460.00	N/A
Apr-2004	3/26/2004	\$ 28,850.00	\$ 21,968.00	\$ 50,818.00	\$ 19,754.00	\$ 70,572.00	\$ 57,756.00	\$ (1,696.00)	\$ 56,060.00	\$ 14,512.00	N/A
May-2004	4/26/2004	\$ 44,397.00	\$ 21,968.00	\$ 66,365.00	\$ 7,460.00	\$ 73,825.00	\$ 65,427.00	\$ (17,156.00)	\$ 48,271.00	\$ 25,554.00	N/A
Jun-2004	5/26/2004	\$ 21,857.00	\$ 21,968.00	\$ 43,825.00	\$ 14,512.00	\$ 58,337.00			\$ -		
Jul-2004					\$ 25,554.00	\$ 25,554.00			\$ -		

1/ Previous Carryover amount of \$37,323 shown as Prepayment for Power for Jan-2004 per Stipulation

2/ Prepayment to BPA will be reduced by positive carry-over amount

LONGVIEW ALUMINUM LLC

SERVICE MONTH	DATE PAYMENT RECEIVED	TOTAL PAYMENT RECEIVED	CARRYOVER AVAILABLE	TOTAL OF CARRYOVER + PAYMENTS	PBL ACTUAL BILL	TBL ACTUAL BILL	COMBINED TOTAL OF PBL & TBL BILLS	CARRYOVER BALANCE
Mar-2003	3/24/2003	\$ 207,050.00	\$ -	\$ 207,050.00	\$ 58,270.00	\$ 127,150.00	\$ 185,420.00	\$ 21,630.00
Apr-2003	4/3/2003	\$ 65,000.00	\$ 21,630.00	\$ 86,630.00	\$ 45,644.00	\$ 13,266.00	\$ 58,910.00	\$ 27,720.00
May-2003	5/5/2003	\$ 65,000.00	\$ 27,720.00	\$ 92,720.00	\$ 42,846.00	\$ 11,574.00	\$ 54,420.00	\$ 38,300.00
Jun-2003	5/28/2003	\$ 65,000.00	\$ 38,300.00	\$ 103,300.00	\$ 47,747.00	\$ 8,338.00	\$ 56,085.00	\$ 47,215.00
Jul-2003	6/26/2003	\$ 65,000.00	\$ 47,215.00	\$ 112,215.00	\$ 66,429.00	\$ 193.00	\$ 66,622.00	\$ 45,593.00
Aug-2003	8/19/2003	\$ 65,000.00	\$ 45,593.00	\$ 110,593.00	\$ 43,871.00	\$ 1,723.00	\$ 45,594.00	\$ 64,999.00
Sep-2003	9/19/2003	\$ 65,000.00	\$ 64,999.00	\$ 129,999.00	\$ 28,407.00	\$ 3,501.00	\$ 31,908.00	\$ 98,091.00
Oct-2003	10/2/2003	\$ 65,000.00	\$ 98,091.00	\$ 163,091.00	\$ 26,300.00	\$ 11,385.00	\$ 37,685.00	\$ 125,406.00
Nov-2003			\$ 125,406.00	\$ 125,406.00	\$ 25,779.00	\$ 15,366.00	\$ 41,145.00	\$ 84,261.00
Dec-2003	12/11/2003	\$ 4,594.00	\$ 84,261.00	\$ 88,855.00	\$ 29,157.00	\$ 22,375.00	\$ 51,532.00	\$ 37,323.00

Bonneville

POWER ADMINISTRATION

POWER BILL

FINAL

Longview Aluminum LLC
William A Brandt, Jr., Trustee
Development Specialists, Inc.
70 West Madison Street, Suite 2300
Chicago, IL 60602

Bill ID: MAY04-PWR01-M01-10679
Issue Date: June 16, 2004
Bill Period: May 2004
Period Ending: May 31, 2004

PAYMENT SUMMARY

Total Amount Calculated For This Bill	\$0
Total Amount Due	\$0

FINAL

Bills should be paid by electronic funds transfer unless otherwise specifically provided. If pre-approved by BPA, mail check or money order payable to Bonneville Power Administration, P. O. Box 60000 File #74038, San Francisco, CA 94160-4038 and send a copy of the bill or write identifiable account numbers on or attached to your-check.

Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

Thank you, we appreciate your business.

POWER BILL

Purchaser: Longview Aluminum LLC
Invoice Number: MAY04-PWR01-M01-10679
Issue Date: June 16, 2004

Billing Period: May 2004
Period Ending: May 31, 2004

GENERATION

Rate Schedule	Service Description	Contract Number	Service Amount	Service Unit	Rate	Revenue \$
FPS-96	Energy HLH	10769	800,000	kWh @	0.0479213	38,337
FPS-96	Energy LLH	10769	688,000	kWh @	0.0393750	27,090
FPS-96	Prepayment Credit	10769	-1	Mo @	65,427.0000000	(65,427)

Total**\$0**

FINAL

Bonneville

POWER ADMINISTRATION

WHOLESALE TRANSMISSION BILL

FINAL

LONGVIEW ALUMINUM LLC
WILLIAM A. BRANDT, JR., TRUSTEE
DEVELOPMENT SPECIALISTS, INC.
70 WEST MADISON STREET, SUITE 2300
CHICAGO IL 60602

Bill ID : **T-05200-01**
Issue Date : **June 7, 2004**
Billing Period : **May, 2004**
Period Ending : **May 31, 2004**
Customer Number : **10679**

PAYMENT SUMMARY

TRANSMISSION STATEMENT
TOTAL AMOUNT DUE

\$0
\$0

BPA Payment Information: Bills should be paid by electronic funds transfer unless another method is approved. Late payment charges will be assessed if payment is not received by close of business on the due date. All debts are subject to collection under applicable Federal Laws.

Thank you, we appreciate your business.

BPA - TRANSMISSION STATEMENT

Purchaser: LONGVIEW ALUMINUM LLC

Billing Period: May, 2004

Bill ID: T-05200-01

Period Ending: May 31, 2004

Issue date: June 7, 2004

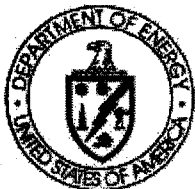
TRANSMISSION

RATE SCHEDULE	ITEM DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
NT-04	Base Charge	10681	500	kW @	1.02800	514
NT-04	Load Shaping Charge	10681	500	kW @	0.42500	213
ACS-04	SCD NT Long Term Firm	10681	500	kW @	0.16600	83
ACS-04	GSR NT Long Term Firm	10681	500	kW @	0.06700	34
ACS-04	Reg & Frequency Response	10681	827,000	kWh @	0.00030	248
ACS-04	EI - Dev in Band 1 HLH LVA	10681	-372,000	kWh @	0.04721	-17,562
ACS-04	EI - Dev in Band 1 LLH LVA	10681	-289,000	kWh @	0.03977	-11,494
ACS-04	Spin Resrv Requirement	10681	21,502	kWh @	0.00839	180
ACS-04	Supp Resrv Requirement	10681	21,502	kWh @	0.00839	180
GRSP-04	DSI Delivery Charge	10681		Mo @	9,468.00000	9,468
GRSP-04	PFP Lagging Ratchet	10681	3,500	KVAr @	0.28000	980
OTHER	Advanced Service Payment	10681	17,156	Ea @	1.00000	17,156
Subtotal						\$0

NOTES:

Energy imbalance is calculated as though 2 MWh/hr were scheduled each hour of the month.
The prepayment balance is increased \$17,156 for the net amount in favor of the Trustee.

Questions regarding this Transmission Statement may be directed to William B. Leonard, (360) 418-8654.
Mail inquiries may be directed to Bonneville Power Administration, Transmission Billing - TMB/MODD PO Box 61571,
Vancouver WA 98666-1571.



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

FINANCE

July 13, 2004

In reply refer to: KFRO-2

Jim Moore
Development Specialists, Inc.
Chapter 11 Trustee of Longview Aluminum, L.L.C.
70 West Madison Street, Suite 2300
Chicago, Illinois 60602

Dear Mr. Moore:

Enclosed please find the true-up bill for actual power and transmission services provided during June 2004 by the Bonneville Power Administration (BPA) to Longview Aluminum, L.L.C. (Longview). Pursuant to the Stipulation settling certain transmission and power service issues in the Longview Bankruptcy, Case No. 03-12184 (the "Settlement"):

- i. The positive net difference, if any, will be credited against the amounts to be pre-paid by Longview for power and transmission service provided by BPA to Longview in the subsequent month or months.
- ii. The negative net difference, if any, not covered by a net carryover balance from the preceding month would be paid to BPA by Longview no later than 5 business days after BPA issues a true-up bill.

The true up for June 2004 resulted in a positive net difference of \$25,929. Since Longview has already prepaid BPA for July 2004 power and transmission service, the positive net difference of \$25,929 is available to be credited against the amount that will be owed as prepayment for power and transmission services for August 2004. Please reduce that prepayment by \$25,929 prior to remitting the payment to BPA.

Please call Jim Dowty at (503) 230-3661 or Matt Troy at (202) 307-0488 if you have questions. You will find attached a true-up worksheet and copies of the power and transmission bills for June 2004.

Sincerely,

A handwritten signature in cursive script that reads "Jim Dowty".

James N. Dowty
Financial Specialist, Accounting Operations

cc: Matthew Troy, USDOJ

Enclosures (3)

True-Up Worksheet

LONGVIEW ALUMINUM L.L.C.
POST PETITION PAYMENTS TO BPA

As of: July 2, 2004

SERVICE MONTH	DATE PAYMENT RECEIVED	PAYMENT FOR POWER ¹	PAYMENT FOR TRANSMISSION SERVICE	TOTAL PAYMENT RECEIVED	POSITIVE CARRYOVER AVAILABLE FROM TWO MONTH AGO TRUE-UP ²	TOTAL OF CARRYOVER + PAYMENTS	PBL ACTUAL BILL	TBL ACTUAL BILL	COMBINED TOTAL OF PBL & TBL BILLS	CARRYOVER BALANCE OR (AMOUNT OWED TO BPA)	DATE TRUE-UP AMOUNT OWED TO BPA PAID
Jan-2004	2/6/09/2004	\$ 37,323.00	\$ 21,968.00	\$ 59,291.00	\$ -	\$ 59,291.00	\$ 33,168.00	\$ 45,944.00	\$ 79,112.00	\$ (19,821.00)	2/17/2004
Feb-2004	2/6/09/2004	\$ 60,000.00	\$ 21,968.00	\$ 81,968.00		\$ 81,968.00	\$ 56,929.00	\$ 5,285.00	\$ 62,214.00	\$ 19,754.00	N/A
Mar-2004	3/1/2004	\$ 57,288.00	\$ 21,968.00	\$ 79,256.00	\$ -	\$ 79,256.00	\$ 54,960.00	\$ 16,836.00	\$ 71,796.00	\$ 7,460.00	N/A
Apr-2004	3/26/2004	\$ 28,850.00	\$ 21,968.00	\$ 50,818.00	\$ 19,754.00	\$ 70,572.00	\$ 57,756.00	\$ (1,696.00)	\$ 56,060.00	\$ 14,512.00	N/A
May-2004	4/26/2004	\$ 44,397.00	\$ 21,968.00	\$ 66,365.00	\$ 7,460.00	\$ 73,825.00	\$ 65,427.00	\$ (17,156.00)	\$ 48,271.00	\$ 25,554.00	N/A
Jun-2004	5/26/2004	\$ 21,857.00	\$ 21,968.00	\$ 43,825.00	\$ 14,512.00	\$ 58,337.00	\$ 22,782.00	\$ 9,626.00	\$ 32,408.00	\$ 25,929.00	N/A
Jul-2004	6/26/2004	\$ 11,646.00	\$ 21,968.00	\$ 33,614.00	\$ 25,554.00	\$ 59,168.00			\$ -		
Aug-2004					\$ 25,929.00	\$ 25,929.00			\$ -		

1/ Previous Carryover amount of \$37,323 shown as Prepayment for Power for Jan-2004 per Stipulation

2/ Prepayment to BPA will be reduced by positive carry-over amount

LONGVIEW ALUMINUM LLC

SERVICE MONTH	DATE PAYMENT RECEIVED	TOTAL PAYMENT RECEIVED	CARRYOVER AVAILABLE	TOTAL OF CARRYOVER + PAYMENTS	PBL ACTUAL BILL	TBL ACTUAL BILL	COMBINED TOTAL OF PBL & TBL BILLS	CARRYOVER BALANCE
Mar-2003	3/24/2003	\$ 207,050.00	\$ -	\$ 207,050.00	\$ 58,270.00	\$ 127,150.00	\$ 185,420.00	\$ 21,630.00
Apr-2003	4/3/2003	\$ 65,000.00	\$ 21,630.00	\$ 86,630.00	\$ 45,644.00	\$ 13,266.00	\$ 58,910.00	\$ 27,720.00
May-2003	5/5/2003	\$ 65,000.00	\$ 27,720.00	\$ 92,720.00	\$ 42,846.00	\$ 11,574.00	\$ 54,420.00	\$ 38,300.00
Jun-2003	5/28/2003	\$ 65,000.00	\$ 38,300.00	\$ 103,300.00	\$ 47,747.00	\$ 8,338.00	\$ 56,085.00	\$ 47,215.00
Jul-2003	6/26/2003	\$ 65,000.00	\$ 47,215.00	\$ 112,215.00	\$ 66,429.00	\$ 193.00	\$ 66,622.00	\$ 45,593.00
Aug-2003	8/19/2003	\$ 65,000.00	\$ 45,593.00	\$ 110,593.00	\$ 43,871.00	\$ 1,723.00	\$ 45,594.00	\$ 64,999.00
Sep-2003	9/19/2003	\$ 65,000.00	\$ 64,999.00	\$ 129,999.00	\$ 28,407.00	\$ 3,501.00	\$ 31,908.00	\$ 98,091.00
Oct-2003	10/2/2003	\$ 65,000.00	\$ 98,091.00	\$ 163,091.00	\$ 26,300.00	\$ 11,385.00	\$ 37,685.00	\$ 125,406.00
Nov-2003			\$ 125,406.00	\$ 125,406.00	\$ 25,779.00	\$ 15,366.00	\$ 41,145.00	\$ 84,261.00
Dec-2003	12/11/2003	\$ 4,594.00	\$ 84,261.00	\$ 88,855.00	\$ 29,157.00	\$ 22,375.00	\$ 51,532.00	\$ 37,323.00

Bonneville

POWER ADMINISTRATION

POWER BILL

FINAL

Longview Aluminum LLC
William A Brandt, Jr., Trustee
Development Specialists, Inc.
70 West Madison Street, Suite 2300
Chicago, IL 60602

Bill ID: JUN04-PWR01-M01-10679
Issue Date: July 09, 2004
Bill Period: June 2004
Period Ending: June 30, 2004

PAYMENT SUMMARY	
Total Amount Calculated For This Bill	\$0
Total Amount Due	\$0

FINAL

Bills should be paid by electronic funds transfer unless otherwise specifically provided. If pre-approved by BPA, mail check or money order payable to Bonneville Power Administration, P. O. Box 60000 File #74038, San Francisco, CA 94160-4038 and send a copy of the bill or write identifiable account numbers on or attached to your check.

Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section LB and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

Thank you, we appreciate your business.

POWER BILL

Purchaser: Longview Aluminum LLC
Invoice Number: JUN04-PWR01-M01-10679
Issue Date: July 09, 2004

Billing Period: June 2004
Period Ending: June 30, 2004

GENERATION

Rate Schedule	Service Description	Contract Number	Service Amount	Service Unit	Rate	Revenue \$
FPS-96	Energy HLH	10769	416,000	kWh @	0.0338245	14,071
FPS-96	Energy LLH	10769	304,000	kWh @	0.0286534	8,711
FPS-96	Prepayment Credit	10769	-1	Mo @	22,782.0000000	(22,782)

Total

\$0

FINAL

Bonneville

POWER ADMINISTRATION

WHOLESALE TRANSMISSION BILL

FINAL

LONGVIEW ALUMINUM LLC
WILLIAM A. BRANDT, JR., TRUSTEE
DEVELOPMENT SPECIALISTS, INC.
70 WEST MADISON STREET, SUITE 2300
CHICAGO IL 60602

Bill ID : T-05333-01
Issue Date : July 2, 2004
Billing Period : June, 2004
Period Ending : June 30, 2004
Customer Number : 10679

PAYMENT SUMMARY

TRANSMISSION STATEMENT
TOTAL AMOUNT DUE

\$0
\$0

FINAL

BPA Payment Information: Bills should be paid by electronic funds transfer unless another method is approved. Late payment charges will be assessed if payment is not received by close of business on the due date. All debts are subject to collection under applicable Federal Laws.

Thank you, we appreciate your business.

BPA - TRANSMISSION STATEMENT

Purchaser: LONGVIEW ALUMINUM LLC
Bill ID: T-05333-01
Issue date: July 2, 2004

Billing Period: June, 2004
Period Ending: June 30, 2004

TRANSMISSION

RATE SCHEDULE	ITEM DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
NT-04	Base Charge	10681	1,000	kW @	1.02800	1,028
NT-04	Load Shaping Charge	10681	1,000	kW @	0.42500	425
ACS-04	SCD NT Long Term Firm	10681	1,000	kW @	0.16600	166
ACS-04	GSR NT Long Term Firm	10681	1,000	kW @	0.06700	67
ACS-04	Reg & Frequency Response	10681	627,000	kWh @	0.00030	188
ACS-04	EI - Dev in Band 1 HLH LVA	10681	-59,000	kWh @	0.03383	-1,996
ACS-04	EI - Dev in Band 1 LLH LVA	10681	-34,000	kWh @	0.02864	-974
ACS-04	Spin Resrv Requirement	10681	16,302	kWh @	0.00839	137
ACS-04	Supp Resrv Requirement	10681	16,302	kWh @	0.00839	137
GRSP-04	DSI Delivery Charge	10681	1	Mo @	9,468.00000	9,468
GRSP-04	PPF Lagging Ratchet	10681	3,500	KVAr @	0.28000	980
OTHER	Advanced Service Payment	10681	-9,626	Ea @	1.00000	-9,626
Subtotal						\$0

NOTES:

Energy imbalance is calculated as though 1 MWh/hr was scheduled each hour of the month.
 \$9,626 of the prepayments are applied to this bill.

Questions regarding this Transmission Statement may be directed to William B. Leonard, (360) 418-8654.
 Mail Inquires may be directed to Bonneville Power Administration, Transmission Billing - TMB/MODD PO Box 61571,
 Vancouver WA 98666-1571.

Dowty,Jim - KFRO

From: Reichel,Suzanne L - KFRO

Sent: Friday, January 14, 2005 6:01 PM

To: Hagen,Nancy J - KFR; Acosta,Esteban - KFRO; Adams,Mary Jane - KFRO; Dowty,Jim - KFRO; Kluegel,Bena A - KFRO; Lindell,Mary K - KFRO; McGuire,Stephen - KFRO; Pluid,Nancy L - KFRO; Rowe,Pilar R - KFRO; Schwarz,Shawn S - KFRO; Runzler,Kurt W - LP; Millar,Susan B - LT; Traversie,Joan F - PSR; Miller,Mark E - PT; Clark,Harry W - PTS; Swann,Ramona R - TMC; Morgan,Nancy E - TM; Paschke,Al - TM; McDaniel,Mary J - TMC; Leonard,Bill - TMM; King,Robert D - TOC

Subject: Longview Aluminum LLC November 2004 True-Up Letter

The attached copy is for your information/records. Should you have any questions or require additional information, please contact Jim Dowty at x3661.

Thank you,
Suzanne Reichel
Accounting Operations, KFRO-2
x4028

1/18/2005



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

FINANCE

January 11, 2005

In reply refer to: KFRO-2

Jim Moore
Development Specialists, Inc.
Chapter 11 Trustee of Longview Aluminum, L.L.C.
70 West Madison Street, Suite 2300
Chicago, Illinois 60602

Dear Mr. Moore:

Enclosed please find the true-up bill for actual power and transmission services provided during November 2004 by the Bonneville Power Administration (BPA) to Longview Aluminum, L.L.C. (Longview). Pursuant to the Stipulation settling certain transmission and power service issues in the Longview Bankruptcy, Case No. 03-12184 (the "Settlement"):


- i. The positive net difference, if any, will be credited against the amounts to be pre-paid by Longview for power and transmission service provided by BPA to Longview in the subsequent month or months.
- ii. The negative net difference, if any, not covered by a net carryover balance from the preceding month would be paid to BPA by Longview no later than 5 business days after BPA issues a true-up bill.

The true up for November 2004 resulted in a positive net difference of \$23,088. Since the power and transmission bills for November 2004 are the final bills for service from BPA, we have conducted a reconciliation of your prepayment account in preparation for refunding the balance of the account. During the reconciliation process two entry errors were discovered and highlighted on the attached true-up worksheet. The first error was an overstatement on the worksheet by one dollar of the June 2003 "PBL Actual Bill" amount. That bill amount on the worksheet was highlighted but was not revised. The one dollar in additional carryover credit due is added to the refund amount. The second error was in transposing the numbers for the "Total Payment Received" amount on the worksheet, incorrectly reflecting the payment you made for the June 2004 service. That payment was incorrectly listed as \$43,825 where the actual amount of payment was \$43,528, amounting to a difference of \$297 in excess credit that had been provided. That error was corrected on the enclosed worksheet and that correction was carried down to the October 2004 carryover amount which is added to the refund amount.

We have calculated that the refund due to you upon closing of your prepayment account is \$42,247. That calculation is shown on the enclosed true-up worksheet and the refund consists of the carryover balances from October and November 2004 plus the one dollar that will be credited as a result of the June 2003 overstatement of the PBL Actual Bill amount. That amount of \$42,247 will be refunded to you as soon as it can be processed through our accounts payable system. Please provide your remittance instructions to me via e-mail or by fax at (503) 230-3447 along with a completed IRS Form W-9.

It has been a pleasure working with you. Please call Matt Troy at (202) 307-0488, or me at (503) 230-3661, if you have questions. You will find attached copies of the power and transmission bills for November 2004 as well as the true-up worksheet mentioned.

Sincerely,


James N. Dowty
Financial Specialist, Accounting Operations

cc: Matthew Troy, USDOJ

Enclosures (3)

True-Up Worksheet

LONGVIEW ALUMINUM L.L.C.

POST-PETITION PAYMENTS TO BPA⁶

As of January 5, 2005

SERVICE MONTH	DATE PAYMENT RECEIVED	PAYMENT FOR POWER ¹	PAYMENT FOR TRANSMISSION SERVICE	TOTAL PAYMENT RECEIVED*	POSITIVE CARRYOVER AVAILABLE FROM TWO MONTHS AGO TRUE-UP ^{4,5}	TOTAL CARRYOVER + PAYMENTS	PBL ACTUAL BILL ⁵	TBL ACTUAL BILL	COMBINED TOTAL OF PBL & TBL BILLS	CARRYOVER BALANCE OR (AMOUNT OWED TO BPA)	DATE TRUE-UP AMOUNT OWED TO BPA PAID
Mar-2003	3/24/2003			\$ 207,050.00	\$ -	\$ 207,050.00	\$38,270	\$127,150.00	\$ 185,420.00	\$ 21,630.00	
Apr-2003	4/2/2003			\$65,000	\$21,630	\$86,630	\$45,644	\$13,266	\$58,910	\$27,720	
May-2003	5/2/2003			\$65,000	\$27,720	\$92,720	\$42,846	\$11,574	\$54,420	\$38,300	
Jun-2003	5/28/2003			\$65,000	\$38,300	\$103,300	\$47,747	\$8,238	\$56,085	\$47,215	
Jul-2003	6/26/2003			\$65,000	\$47,215	\$112,215	\$66,429	\$193	\$66,622	\$45,593	
Aug-2003	8/19/2003			\$65,000	\$45,593	\$110,593	\$43,871	\$1,725	\$45,594	\$64,999	
Sep-2003	9/19/2003			\$65,000	\$64,999	\$129,999	\$28,407	\$3,501	\$31,908	\$98,091	
Oct-2003	10/2/2003			\$65,000	\$98,091	\$163,091	\$26,300	\$11,385	\$37,685	\$125,406	
Nov-2003	10/2/2003			\$65,000	\$125,406	\$190,406	\$25,779	\$15,366	\$41,145	\$84,261	
Dec-2003	12/11/2003			\$4,594	\$84,261	\$88,855	\$29,157	\$27,275	\$51,532	\$37,323	
Jan-2004	2/6/2004	\$37,323	\$21,968	\$59,291	\$0	\$59,291	\$33,168	\$48,944	\$79,112	(\$19,821)	2/17/2004
Feb-2004	2/6/2004	\$60,000	\$21,968	\$81,968	\$0	\$81,968	\$56,929	\$5,285	\$62,214	\$19,754	N/A
Mar-2004	3/12/2004	\$57,288	\$21,968	\$79,256	\$0	\$79,256	\$54,960	\$16,336	\$71,796	\$7,460	N/A
Apr-2004	3/26/2004	\$28,850	\$21,968	\$50,818	\$19,754	\$70,572	\$57,756	(\$1,690)	\$56,060	\$14,512	N/A
May-2004	4/26/2004	\$44,397	\$21,968	\$66,365	\$7,460	\$73,825	\$65,427	(\$12,150)	\$48,271	\$25,554	N/A
Jun-2004	5/26/2004	\$21,560	\$21,968	\$43,528	\$14,512	\$58,040	\$27,782	\$9,626	\$32,408	\$25,632	N/A
Jul-2004	6/26/2004	\$31,646	\$21,968	\$53,614	\$25,554	\$59,168	\$35,531	\$3,986	\$39,517	\$19,651	N/A
Aug-2004	7/23/2004	\$15,903	\$21,968	\$37,871	\$25,632	\$63,503	\$35,451	\$2,225	\$37,674	\$25,839	N/A
Sep-2004	8/26/2004	\$10,589	\$21,968	\$32,557	\$19,651	\$52,208	\$26,820	\$2,311	\$29,131	\$23,077	N/A
Oct-2004	9/29/2004	\$3,841	\$21,968	\$25,809	\$25,809	\$51,618	\$22,054	(\$12)	\$51,940	\$19,158	N/A
Nov-2004	10/28/2004	\$14,183	\$21,968	\$36,151	\$23,077	\$59,228	\$33,341	\$2,799	\$36,140	\$23,088	N/A

Prepayment Account Close-Out Refund Calculation

Carryover Balance from Oct 2004

Carryover Balance from Nov 2004

Credit for overstatement of PBL Actual Bill amount for Jun 2003 (see Footnote 5)

Prepayment Credit Balance to be refunded

\$19,158
\$23,088
\$1
\$42,247

1/ Previous Carryover amount of \$37,323 shown as Prepayment for Power for Jan-2004 per Stipulation

2/ Prepayment to BPA will be reduced by positive carry-over amount

3/ Due to timing changes, carryover from 2 months prior began in March 2004 where earlier months had been credited from 1 month prior

4/ Amount shown for Jun 2004 was originally incorrectly listed as \$43,825 but amount paid was actually \$43,528

5/ Amount shown for Jun 2003 is incorrectly listed as \$47,747 but was actually \$47,746; an additional \$1 in carryover amount will be credited in the Prepayment Account Close-Out Refund Calculation directly above

6/ Amounts highlighted are revised from earlier worksheets as a result of revision of Total Payment Received for Jun 2004 (see Footnote 4) except for amount listed for PBL Actual Bill amount for Jun 2003 (see Footnote 5)

Bonneville

POWER ADMINISTRATION

POWER BILL

FINAL

Longview Aluminum LLC
William A Brandt, Jr., Trustee
Development Specialists, Inc.
70 West Madison Street, Suite 2300
Chicago, IL 60602

Bill ID: NOV04-PWR01-M01-10679
Issue Date: December 06, 2004
Bill Period: November 2004
Period Ending: November 30, 2004

PAYMENT SUMMARY

Total Amount Calculated For This Bill	\$0
Total Amount Due	\$0

FINAL

CUSTOMER IS NOT PROVIDED
A COPY OF THIS BILL DUE TO
MARCH 4, 2003 CHAPTER 11
BANKRUPTCY FILING

Bills should be paid by electronic funds transfer unless otherwise specifically provided. If pre-approved by BPA, mail check or money order payable to Bonneville Power Administration, P O Box 894196, Los Angeles, CA 90189-4196 and send a copy of the bill or write identifiable account numbers on or attached to your check.

Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section 1B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

Thank you, we appreciate your business.

POWER BILL

Purchaser: Longview Aluminum LLC
Invoice Number: NOV04-PWR01-M01-10679
Issue Date: December 06, 2004

Billing Period: November 2004
Period Ending: November 30, 2004

GENERATION

Rate Schedule	Service Description	Contract Number	Service Amount	Service Unit	Rate	Revenue \$
FPS-96R	Energy HLH	10769	416,000	kWh @	0.0459538	19,117
FPS-96R	Energy LLH	10769	304,000	kWh @	0.0467903	14,224
FPS-96R	Prepayment Credit	10769	-1	Mo @	33,341.0000000	(33,341)

Total	\$0
-------	-----

FINAL

Questions concerning this POWER BILL may be directed to Joan Traversie, (503) 230-3339. Mail inquiries may be directed to Bonneville Power Administration; Revenue, Metering and Contract Analysis - PSR; PO Box 2784; Portland, OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE TRANSMISSION BILL FINAL

LONGVIEW ALUMINUM LLC
WILLIAM A. BRANDT, JR., TRUSTEE
DEVELOPMENT SPECIALISTS, INC.
70 WEST MADISON STREET, SUITE 2300
CHICAGO IL 60602

Bill ID : T-06143-01
Issue Date : December 3, 2004
Billing Period : November, 2004
Period Ending : November 30, 2004
Customer Number : 10679

PAYMENT SUMMARY

TRANSMISSION STATEMENT
TOTAL AMOUNT DUE

\$0
\$0

BPA Payment Information: Bills should be paid by electronic funds transfer unless another method is approved. Late payment charges will be assessed if payment is not received by close of business on the due date. All debts are subject to collection under applicable Federal Laws.

Thank you, we appreciate your business.

BPA - TRANSMISSION STATEMENT

Purchaser: LONGVIEW ALUMINUM LLC

Billing Period: November, 2004

Bill ID: T-06143-01

Period Ending: November 30, 2004

Issue date: December 3, 2004

TRANSMISSION

RATE SCHEDULE	ITEM DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
NT-04	Base Charge	10681	500	KW @	1.02800	514
NT-04	Load Shaping Charge	10681	500	KW @	0.42500	213
ACS-04	SCD NT Long Term Firm	10681	500	KW @	0.16600	83
ACS-04	GSR NT Long Term Firm	10681	500	KW @	0.06700	34
ACS-04	Reg & Frequency Response	10681	536,500	KWh @	0.00030	161
ACS-04	EI - Dev in Band 1 HLH LVA	10681	-110,000	KWh @	0.04776	-5,254
ACS-04	EI - Dev in Band 1 LLH LVA	10681	-73,500	KWh @	0.04468	-3,284
ACS-04	Spin Resrv Requirement	10681	13,949	KWh @	0.00839	117
ACS-04	Supp Resrv Requirement	10681	13,949	KWh @	0.00839	117
GRSP-04	DSI Delivery Charge	10681	1	Mo @	9,468.00000	9,468
GRSP-04	PFP Lagging Ratchet	10681	2,250	kVAr @	0.28000	630
OTHER	Advanced Service Payment	10681	-2,799	Ea @	1.00000	-2,799
Subtotal						\$0

NOTES:

Energy imbalance is calculated as though 1 MWhr was scheduled each hour of the month.
\$2,799 of the prepayments are applied to this bill.

Questions regarding this Transmission Statement may be directed to William B. Leonard, (360) 418-8654.
Mail inquires may be directed to Bonneville Power Administration, Transmission Billing - TMM/MODD PO Box 61571,
Vancouver WA 98666-1571.

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO 1107
 CONNECTION TEL 913122631180
 CONNECTION ID
 ST. TIME 01/14 13:28
 USAGE T 02'48
 PGS. SENT 8
 RESULT OK

BPA F 1325.03a
 (06-1989)
 (Previously BPA 1373)

U.S. DEPARTMENT OF ENERGY
 BONNEVILLE POWER ADMINISTRATION
 FACSIMILE COVER SHEET

Electronic Form Approved
 by CIL - 06/22/1999

WARNING: Most facsimile machines produce copies on thermal paper. The image produced is highly unstable and will deteriorate significantly in a few years. It should be copied on a plain paper copier prior to filing as a record.

☐ **URGENT (Hand Carry)**

MESSAGE NO: (if applicable)

DATE JAN 14 2004		TIME 1330 A.M. P.M.	NO. PAGES (Exclude cover sheet) 7	MACHINE LOCATION 2-L22	
TO	NAME Jim Moore		FROM	NAME Jim Dowty	
	ORG. CODE/LOCATION OR COMPANY Development Specialists, Inc.			ORG. CODE/LOCATION BPA/KFRO-2	
	PHONE NO(S) COMMERCIAL 312-263-4141	FAX NO(S) COMMERCIAL 312-263-1180		PHONE NO(S) COMMERCIAL 503-230-3661	FAX NO(S) COMMERCIAL 503-230-3447
	FTS			FTS	
	FTS			FTS	

SUBJECT

Longview Aluminum LLC True-Up Bill for November 2004 Actual Power and Transmission Services

COMMENTS

Please see attached letter. Original to follow by USPS.



Power Business Line Bill Scan

Motiva/QuickView Search

Customer
Number: (WBS or BES numbers accepted here.)

Customer Name:

AE/Trader:

[Advanced Sort](#)

Billing Month:

- or -

From:

To:

Billing Year:

- or -

From:

To:

[Search](#)[Reset](#)

2001-02

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

LONGVIEW ALUMINUM LLC
ERNIE MCCARTY
PO BOX 2484
LONGVIEW WA 98632

Bill ID: 30- 656-2002-AUG-A0
Issue Date: September 20, 2002
Billing Period: August 2002
Period Ending: August 31, 2002

PAYMENT SUMMARY

POWER STATEMENT	\$	101,224
TOTAL AMOUNT DUE	\$	101,224

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 101,224

Due on or before Oct 10 2002

Bills should be paid by electronic funds transfer unless otherwise specifically provided. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

Thank you, we appreciate your business.



This document printed on recycled paper.

BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2002-AUG-A0
Issue Date: September 20, 2002

Billing Period: August 2002
Period Ending: August 31, 2002

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-02	Demand	10769	280,000	kW @	3.210000	898,800
IP-02	Energy HLH TAC A	10769	120,960,000	kWh @	0.049760	6,018,970
IP-02	Energy LLH TAC A	10769	87,360,000	kWh @	0.030150	2,633,904
IP-02	Energy HLH Ld Curt	11120	-4,320,000	kWh @	0.049760	(214,963)
IP-02	Energy LLH Ld Curt	11120	-3,120,000	kWh @	0.030150	(94,068)
	Demand Curtailment	10769	-277,000	kW @	3.210000	(889,170)
	Energy HLH Ld Curt	11215	-115,344,000	kWh @	0.049760	(5,739,517)
	Energy LLH Ld Curt	11215	-83,304,000	kWh @	0.030150	(2,511,616)
IP-02	C&R Discount	10769	-2,232,000	kWh @	0.000500	(1,116)
Subtotal						101,224

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

BONNEVILLE POWER ADMINISTRATION POWER ATTACHMENT

Customer:	Longview Aluminum Company	Bill Period:	August 2002
Bill ID:	10- 656-2002-AUG-A0	Period Ending:	August 31, 2002

DEMAND CHARGE

	Purchase	Rate	
Net Demand Charge TAC A	280,000 kW	\$3.2100	\$898,800
Curtailed per Contract #10786	kW	\$3.2100	\$0
Unauthorized Increase	0	\$9.6300	\$0
Curtailment per 6(a)(2)	(277,000)	\$3.2100	(\$889,170)

ENERGY CHARGE

	Energy (kWh)	Rate	
Surplus Firm Sale, Contract 10769	0	\$0.1000	\$0
	Demand (kW)	Hours	
HLH Hourly Demand	280,000	432	120,960,000
Relief from Take or Pay ¹			0
HLH Energy Charge TAC A		120,960,000	\$ 0.049760 \$6,018,970
Unauthorized Increase	0 kWh	0	\$ 0.149280 \$0
LLH Hourly Demand	280,000 kW	312	87,360,000
Relief from Take or Pay ¹			0
LLH Energy Charge TAC A		87,360,000	\$ 0.030150 \$2,633,904
Unauthorized Increase	0 kWh		\$ 0.100000

LOAD REDUCTION

	Hours	Monthly Curtailed Energy	Rate	
HLH Reduction per Contract	0 432	0	\$ 0.04976	\$0
LLH Reduction per Contract	0 312	0	\$ 0.03015	\$0

CURTAILMENT per Sec. 6 (a)(2)

	Hours	Monthly Curtailed Energy	Rate	
HLH Agreement #11120	-10,000 432	-4,320,000	\$ 0.04976	(\$214,963)
LLH Agreement #11120	-10,000 312	-3,120,000	\$ 0.03015	(\$94,068)
HLH Agreement #11215	-267,000 432	-115,344,000	\$ 0.04976	(\$5,739,517)
LLH Agreement #11215	-267,000 312	-83,304,000	\$ 0.03015	(\$2,511,616)

CONSERVATION AND RENEWABLE DISCOUNT

BONNEVILLE POWER ADMINISTRATION
POWER ATTACHMENT

Customer:	Longview Aluminum Company	Bill Period:	August 2002
Bill ID:	10- 656-2002-AUG-A0	Period Ending:	August 31, 2002

Hourly Demand	Hours	Energy (kWh)	Rate	
3,000	744	-2,232,000	0.0005	(\$1,116)

Energy YTD	Credit YTD
-11,013,000	\$ (5,507)

GENERATION TOTAL	\$101,224
-------------------------	------------------

¹ Includes Maintenance Outages and reductions due to Uncontrollable Forces.

ATTENTION: CHANGE IN BILL ID

to: All Customers:

Beginning with the September Billing Period on October 1, 2002, BPA (PSR) Billing will begin processing your invoice with a new billing system. The invoice format will change. A major change to the invoice will be the Bill ID line.

The Bill ID line will give the month and year of the invoice, the invoice number the month and the new customer number is being assigned. The new customer number you have been assigned is for BPA's internal use. The invoice and the payment instructions will remain the same.

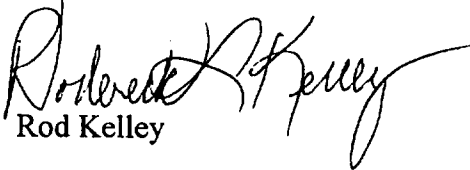
If you have any questions concerning the new Billing System and the format of the Invoice please give Rod Kelley a call at 503.230.7546 or e-mail me at rlkelley@bpa.gov. I will follow up on all inquiries concerning your Power Bill.

Bill Line ID Example:

Old Invoice: 40-999-2002-MAY-A0

New Invoice: MAY02-PWR02-M05-09999

Sincerely yours,


Rod Kelley

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

LONGVIEW ALUMINUM LLC
ERNIE MCCARTY
PO BOX 2484
LONGVIEW WA 98632

Bill ID: 30- 656-2002-JUL-A0
Issue Date: August 26, 2002
Billing Period: July 2002
Period Ending: July 31, 2002

PAYMENT SUMMARY

POWER STATEMENT	\$	283,893
TOTAL AMOUNT DUE	\$	283,893

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 283,893

Due on or before Sep 16 2002

Bills should be paid by electronic funds transfer unless otherwise specifically provided. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2002-JUL-A0
Issue Date: August 26, 2002

Billing Period: July 2002
Period Ending: July 31, 2002

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-02	Demand	10769	280,000	kW @	3.210000	898,800
IP-02	Energy HLH TAC A	10769	120,960,000	kWh @	0.035300	4,269,888
IP-02	Energy LLH TAC A	10769	87,360,000	kWh @	0.025660	2,241,658
IP-02	Energy LLH Ld Curt	11120	-3,120,000	kWh @	0.025660	(80,059)
IP-02	Energy HLH Ld Curt	11120	-4,320,000	kWh @	0.035300	(152,496)
	Demand Curtailment	10769	-277,000	kW @	3.210000	(889,170)
	Energy HLH Ld Curt	11173	-21,360,000	kWh @	0.035300	(754,008)
	Energy LLH Ld Curt	11173	-17,088,000	kWh @	0.025660	(438,478)
	Energy HLH Ld Curt	11185	-29,904,000	kWh @	0.035300	(1,055,611)
	Energy LLH Ld Curt	11185	-21,360,000	kWh @	0.025660	(548,098)
	Energy HLH Ld Curt	11189	-59,808,000	kWh @	0.035300	(2,111,222)
	Energy LLH Ld Curt	11189	-42,720,000	kWh @	0.025660	(1,096,195)
IP-02	C&R Discount	10769	-2,232,000	kWh @	0.000500	(1,116)
Subtotal						283,893

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

**BONNEVILLE POWER ADMINISTRATION
POWER ATTACHMENT**

Customer:	Longview Aluminum Company	Bill Period:	July 2002
Bill ID:	10- 656-2002-JUL-A0	Period Ending:	July 31, 2002

DEMAND CHARGE

	Purchase		Rate	
Net Demand Charge TAC A	280,000	kW	\$3.2100	\$898,800
Curtailed per Contract #10786		kW	\$3.2100	\$0
Unauthorized Increase	0		\$9.6300	\$0
Curtailment per 6(a)(2)	(277,000)		\$3.2100	(\$889,170)

ENERGY CHARGE

		Energy (kWh)	Rate	
Surplus Firm Sale, Contract 10769		0	\$0.1000	\$0
	Demand			
	(kW)	Hours		
HLH Hourly Demand	280,000	432	120,960,000	
Relief from Take or Pay ¹			0	
HLH Energy Charge TAC A			120,960,000 \$ 0.035300	\$4,269,888
Unauthorized Increase	0	kWh	0 \$ 0.105900	\$0
LLH Hourly Demand	280,000	kW	312	87,360,000
Relief from Take or Pay ¹			0	
LLH Energy Charge TAC A			87,360,000 \$ 0.025660	\$2,241,658
Unauthorized Increase	0	kWh	\$ 0.100000	

LOAD REDUCTION

	Hours	Monthly Curtailed Energy	Rate	
HLH Reduction per Contract	0 432	0	\$ 0.03530	\$0
LLH Reduction per Contract	0 312	0	\$ 0.02566	\$0

CURTAILMENT per Sec. 6 (a)(2)

	Hours	Monthly Curtailed Energy	Rate	
HLH Agreement #11120	-10,000 432	-4,320,000	\$ 0.03530	(\$152,496)
LLH Agreement #11120	-10,000 312	-3,120,000	\$ 0.02566	(\$80,059)
HLH Agreement #11173	-267,000 80	-21,360,000	\$ 0.03530	(\$754,008)
LLH Agreement #11173	-267,000 64	-17,088,000	\$ 0.02566	(\$438,478)
HLH Agreement #11185	-267,000 112	-29,904,000	\$ 0.03530	(\$1,055,611)
LLH Agreement #11185	-267,000 80	-21,360,000	\$ 0.02566	(\$548,098)

**BONNEVILLE POWER ADMINISTRATION
POWER ATTACHMENT**

Customer: Longview Aluminum Company		Bill Period: July 2002	
Bill ID: 10- 656-2002-JUL-A0		Period Ending: July 31, 2002	
HLH	Agreement #11189	-267,000 224	-59,808,000 \$ 0.03530 (\$2,111,222)
LLH	Agreement #11189	-267,000 160	-42,720,000 \$ 0.02566 (\$1,096,195)

CONSERVATION AND RENEWABLE DISCOUNT

Hourly Demand	Hours	Energy (kWh)	Rate	
3,000	744	-2,232,000	0.0005	(\$1,116)

Energy YTD	Credit YTD
-8,781,000	\$ (4,391)

GENERATION TOTAL	\$283,893
-------------------------	------------------

¹ Includes Maintenance Outages and reductions due to Uncontrollable Forces.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

LONGVIEW ALUMINUM LLC
ERNIE MCCARTY
PO BOX 2484
LONGVIEW WA 98632

Bill ID: 30- 656-2002-JUN-A0
Issue Date: August 06, 2002
Billing Period: June 2002
Period Ending: June 30, 2002

PAYMENT SUMMARY

POWER STATEMENT	\$	56,850
TOTAL AMOUNT DUE	\$	56,850

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 56,850

Due on or before Aug 26 2002

Bills should be paid by electronic funds transfer unless otherwise specifically provided. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

Thank you, we appreciate your business.



This document printed on recycled paper.

BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2002-JUN-A0
Issue Date: August 06, 2002

Billing Period: June 2002
Period Ending: June 30, 2002

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-02	Demand	10769	100,000	kW @	2.490000	249,000
IP-02	Energy HLH TAC A	10769	40,000,000	kWh @	0.028090	1,123,600
IP-02	Energy LLH TAC A	10769	32,000,000	kWh @	0.017450	558,400
	Demand Curtailment	10769	-97,000	kW @	2.490000	(241,530)
	Energy HLH Ld Curt	11153	-20,176,000	kWh @	0.028090	(566,744)
	Energy LLH Ld Curt	11153	-14,744,000	kWh @	0.017450	(257,283)
	Energy HLH Ld Curt	11159	-18,624,000	kWh @	0.028090	(523,148)
	Energy LLH Ld Curt	11159	-16,296,000	kWh @	0.017450	(284,365)
IP-02	C&R Discount	10769	-2,160,000	kWh @	0.000500	(1,080)
Subtotal						56,850

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

**BONNEVILLE POWER ADMINISTRATION
POWER ATTACHMENT**

Customer:	Longview Aluminum Company	Bill Period:	June 2002
Bill ID:	10- 656-2002-JUN-A0	Period Ending:	June 30, 2002

DEMAND CHARGE

	Purchase		Rate	
Net Demand Charge TAC A	100,000	kW	\$2.4900	\$249,000
Curtailed per Contract #10786		kW	\$2.4900	\$0
Unauthorized Increase	0		\$7.4700	\$0
Curtailment per 6(a)(2)	(97,000)		\$2.4900	(\$241,530)

ENERGY CHARGE

		Energy (kWh)	Rate	
Surplus Firm Sale, Contract 10769		0	\$0.1000	\$0
HLH Hourly Demand	Demand (kW)	Hours		
	100,000	400	40,000,000	
Relief from Take or Pay ¹			0	
HLH Energy Charge TAC A		40,000,000	\$ 0.028090	\$1,123,600
Unauthorized Increase	0 kWh	0	\$ 0.100000	\$0
LLH Hourly Demand	100,000 kW	320	32,000,000	
Relief from Take or Pay ¹			0	
LLH Energy Charge TAC A		32,000,000	\$ 0.017450	\$558,400
Unauthorized Increase	0 kWh		\$ 0.100000	

LOAD REDUCTION

	Hours	Monthly Curtailed Energy	Rate	
HLH Reduction per Contract	0 432	0	\$ 0.02809	\$0
LLH Reduction per Contract	0 312	0	\$ 0.02809	\$0

CURTAILMENT per Sec. 6 (a)(2)

	Hours	Monthly Curtailed Energy	Rate	
HLH #11153	-97,000 208	-20,176,000	\$ 0.02809	(\$566,744)
LLH #11153	-97,000 152	-14,744,000	\$ 0.01745	(\$257,283)
HLH #11159	-97,000 192	-18,624,000	\$ 0.02809	(\$523,148)
LLH #11159	-97,000 168	-16,296,000	\$ 0.01745	(\$284,365)

**BONNEVILLE POWER ADMINISTRATION
POWER ATTACHMENT**

Customer:	Longview Aluminum Company	Bill Period:	June 2002
Bill ID:	10- 656-2002-JUN-A0	Period Ending:	June 30, 2002

CONSERVATION AND RENEWABLE DISCOUNT

Hourly Demand	Hours	Energy (kWh)	Rate	
3,000	720	-2,160,000	0.0005	(\$1,080)

Energy YTD	Credit YTD
-6,549,000	\$ (3,275)

GENERATION TOTAL	\$56,850
-------------------------	-----------------

¹ Includes Maintenance Outages and reductions due to Uncontrollable Forces.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL REVISED FINAL

LONGVIEW ALUMINUM LLC
ERNIE MCCARTY
PO BOX 2484
LONGVIEW WA 98632

Bill ID: 30- 656-2002-MAY-A1
Issue Date: August 21, 2002
Billing Period: May 2002
Period Ending: May 31, 2002

PAYMENT SUMMARY

POWER STATEMENT	\$	49,606
Total Amount Calculated For This Bill	\$	49,606
Total Amount Due Through 30- 656-2002-MAY-A0	\$	49,606
Total Adjustment Due		0

Bills should be paid by electronic funds transfer unless otherwise specifically provided. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

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BPA - POWER STATEMENT

Purchaser: LONGVIEW ALUMINUM LLC
Bill ID: 30- 656-2002-MAY-A1
Issue Date: August 21, 2002

Billing Period: May 2002
Period Ending: May 31, 2002

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-02	Demand	10769	100,000	kW @	1.990000	199,000
IP-02	Energy HLH TAC A	10769	43,200,000	kWh @	0.023480	1,014,336
IP-02	Energy LLH TAC A	10769	31,200,000	kWh @	0.015300	477,360
IP-02	Demand Curtailment	11124	-97,000	kW @	1.990000	(193,030)
IP-02	Energy HLH Ld Curt	11124	-21,728,000	kWh @	0.023480	(510,173)
IP-02	Energy LLH Ld Curt	11124	-15,520,000	kWh @	0.015300	(237,456)
IP-02	Energy HLH Ld Curt	11140	-20,176,000	kWh @	0.023480	(473,732)
IP-02	Energy LLH Ld Curt	11140	-14,744,000	kWh @	0.015300	(225,583)
IP-02	C&R Discount	10769	-2,232,000	kWh @	0.000500	(1,116)

Subtotal

49,606

NOTES:

This power bill is being revised: The amount due is unchanged. Measurement of energy sold to Longview Aluminum is revised to reflect 180,000 kW was undelivered rather than delivered and returned to BPA.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

**BONNEVILLE POWER ADMINISTRATION
POWER ATTACHMENT**

Customer: Longview Aluminum Company	Bill Period: May 2002	
Bill ID: 10- 656-2002-MAY-A1	Acctg Bill	Period Ending: May 31, 2002

DEMAND CHARGE

	Purchase		Rate	
Net Demand Charge TAC A	100,000	kW	\$1.9900	\$199,000
Curtailed per Contract #10786		kW	\$1.9900	\$0
Unauthorized Increase	0		\$5.9700	\$0
Curtailment per 6(a)(2)	(97,000)		\$1.9900	(\$193,030)

ENERGY CHARGE

			Energy (kWh)	Rate	
Surplus Firm Sale, Contract 10769			0	\$0.1000	\$0
	Demand	Hours			
	(kW)				
HLH Hourly Demand	100,000	432	43,200,000		
Relief from Take or Pay ¹			0		
HLH Energy Charge TAC A			43,200,000	\$ 0.023480	\$1,014,336
Unauthorized Increase	0	kWh	0	\$ 0.100000	\$0
LLH Hourly Demand	100,000	kW	312	31,200,000	
Relief from Take or Pay ¹				0	
LLH Energy Charge TAC A			31,200,000	\$ 0.015300	\$477,360
Unauthorized Increase	0	kWh		\$ 0.100000	

LOAD REDUCTION

		Hours	Monthly Curtailed Energy	Rate	
HLH Reduction per Contract	0	432	0	\$ 0.02809	\$0
LLH Reduction per Contract	0	312	0	\$ 0.02809	\$0

CURTAILMENT per Sec. 6 (a)(2)

		Hours	Monthly Curtailed Energy	Rate	
HLH #11124	-97,000	224	-21,728,000	\$ 0.02348	(\$510,173)
LLH #11153	-97,000	160	-15,520,000	\$ 0.01530	(\$237,456)

HLH #11159	-97,000	208	-20,176,000	\$ 0.02348	(\$473,732)
LLH #11159	-97,000	152	-14,744,000	\$ 0.01530	(\$225,583)

**BONNEVILLE POWER ADMINISTRATION
POWER ATTACHMENT**

Customer:	Longview Aluminum Company	Bill Period:	May 2002
Bill ID:	10- 656-2002-MAY-A1	Acctg Bill	Period Ending: May 31, 2002

CONSERVATION AND RENEWABLE DISCOUNT

Hourly Demand	Hours	Energy (kWh)	Rate	
3,000	744	-2,232,000	0.0005	(\$1,116)

Energy YTD -6,621,000	Credit YTD \$ (3,311)
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GENERATION TOTAL	\$49,606
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¹ Includes Maintenance Outages and reductions due to Uncontrollable Forces.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

LONGVIEW ALUMINUM LLC
ERNIE MCCARTY
PO BOX 2484
LONGVIEW WA 98632

Bill ID: 30- 656-2002-APR-A0
Issue Date: May 29, 2002
Billing Period: April 2002
Period Ending: April 30, 2002

PAYMENT SUMMARY

POWER STATEMENT	\$	50,273
TOTAL AMOUNT DUE	\$	50,273

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 50,273

Due on or before Jun 18 2002

Bills should be paid by electronic funds transfer unless otherwise specifically provided. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2002-APR-A0
Issue Date: May 29, 2002

Billing Period: April 2002
Period Ending: April 30, 2002

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-02	Demand	10769	100,000	kWh @	2.020000	202,000
IP-02	Demand Curtailment	11120	-97,000	kW @	2.020000	(195,940)
IP-02	Energy HLH TAC A	10769	41,600,000	kWh @	0.023560	980,096
IP-02	Energy LLH TAC A	10769	30,300,000	kWh @	0.017480	529,644
IP-02	Energy HLH Ld Curt	11120	-40,352,000	kWh @	0.023560	(950,693)
IP-02	Energy LLH Ld Curt	11120	-29,391,000	kWh @	0.017480	(513,755)
IP-02	C&R Discount	10769	-2,157,000	kWh @	0.000500	(1,079)
Subtotal						50,273

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

BONNEVILLE POWER ADMINISTRATION **POWER ATTACHMENT**

Customer: Longview Aluminum Company	Bill Period: April 2002	
Bill ID: 10- 656-2002-APR-A0	Period Ending: April 30, 2002	

DEMAND CHARGE

	Purchase	Rate	
Net Demand Charge TAC A	100,000 kW	\$2.0200	\$202,000
Unauthorized Increase	0	\$6.0600	\$0
Curtailment per 6(a)(2)	^{IF} -97,000	\$2.0200	(\$195,940)

ENERGY CHARGE

		Energy (kWh)	Rate	
Surplus Firm Sale, Contract		0	\$0.1000	\$0
	Demand (kW)	Hours		
HLH Hourly Demand	100,000	416	41,600,000	
Relief from Take or Pay ¹			0	
HLH Energy Charge TAC A			41,600,000 \$ 0.023560	\$980,096
Unauthorized Increase	0 kWh	0	\$ 0.100000	\$0
LLH Hourly Demand	100,000 kW	303	30,300,000	
Relief from Take or Pay ¹			0	
LLH Energy Charge TAC A			30,300,000 \$ 0.017480	\$529,644
Unauthorized Increase	0 kWh		\$ 0.100000	

LOAD REDUCTION

	Reduced Demand	Hours	Monthly Curtailed Energy	Rate	
HLH	0	416	0 \$	-	\$0
LLH	0	303	0 \$	-	\$0

CURTAILMENT per Sec. 6 (a)(2)

	Reduced Demand	Hours	Monthly Curtailed Energy	Rate	
HLH	97,000	416	-40,352,000 \$	0.02356	(\$950,693)
LLH	97,000	303	-29,391,000 \$	0.01748	(\$513,755)

**BONNEVILLE POWER ADMINISTRATION
POWER ATTACHMENT**

Customer:	Longview Aluminum Company	Bill Period:	April 2002
Bill ID:	10- 656-2002-APR-A0	Period Ending:	April 30, 2002

CONSERVATION AND RENEWABLE DISCOUNT

Hourly Demand	Hours	Energy (kWh)	Rate	
3,000	719	2,157,000	0.0005	(\$1,079)

Energy YTD	Credit YTD
2,157,000	\$ (1,079)

GENERATION TOTAL	\$50,273
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¹ Includes Maintenance Outages and reductions due to Uncontrollable Forces.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL FINAL

LONGVIEW ALUMINUM LLC
ERNIE MCCARTY
PO BOX 2484
LONGVIEW WA 98632

Bill ID: 30- 656-2002-MAR-A0
Issue Date: April 23, 2002
Billing Period: March 2002
Period Ending: March 31, 2002

PAYMENT SUMMARY

POWER STATEMENT	\$	200,150
TOTAL AMOUNT DUE	\$	200,150

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 200,150

Due on or before May 13 2002

Bills should be paid by electronic funds transfer unless otherwise specifically provided. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2002-MAR-A0
Issue Date: April 23, 2002

Billing Period: March 2002
Period Ending: March 31, 2002

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
FPS-96	Station Service	10769	2,001,500	kWh @	0.100000	200,150
Subtotal						200,150

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2002-FEB-A0
Issue Date: March 25, 2002
Billing Period: February 2002
Period Ending: February 28, 2002

PAYMENT SUMMARY

POWER STATEMENT	\$ 169,250
TOTAL AMOUNT DUE	\$ 169,250

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 169,250

Due on or before Apr 15 2002

Bills should be paid by electronic funds transfer unless otherwise specifically provided. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2002-FEB-A0
Issue Date: March 25, 2002

Billing Period: February 2002
Period Ending: February 28, 2002

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
FPS-96	Station Service	10768	1,692,500	kWh @	0.100000	169,250

Subtotal

169,250

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2002-JAN-A0
Issue Date: February 25, 2002
Billing Period: January 2002
Period Ending: January 31, 2002

PAYMENT SUMMARY

POWER STATEMENT	\$	167,550
TOTAL AMOUNT DUE	\$	167,550

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 167,550

Due on or before Mar 18 2002

Bills should be paid by electronic funds transfer unless otherwise specifically provided. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2002-JAN-A0
Issue Date: February 25, 2002

Billing Period: January 2002
Period Ending: January 31, 2002

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
FPS-96	Station Service	10768	1,675,500 kWh @		0.100000	167,550
Subtotal						167,550

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2001-DEC-A0
Issue Date: January 25, 2002
Billing Period: December 2001
Period Ending: December 31, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$ 156,700
TOTAL AMOUNT DUE	\$ 156,700

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 156,700

Due on or before Feb 14 2002

Bills should be paid by electronic funds transfer unless otherwise specifically provided. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2001-DEC-A0
Issue Date: January 25, 2002

Billing Period: December 2001
Period Ending: December 31, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
FPS-96	Station Service	10768	1,567,000	kWh @	0.100000	156,700
Subtotal						156,700

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2001-NOV-A0
Issue Date: December 27, 2001
Billing Period: November 2001
Period Ending: November 30, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$	120,400
TOTAL AMOUNT DUE	\$	120,400

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 120,400

Due on or before Jan 16 2002

Bills should be paid by electronic funds transfer unless otherwise specifically provided. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2001-NOV-A0
Issue Date: December 27, 2001

Billing Period: November 2001
Period Ending: November 30, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
FPS-96	Station Service	10768	1,204,000	kWh @	0.100000	120,400
Subtotal						120,400

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2001-OCT-A0
Issue Date: December 05, 2001
Billing Period: October 2001
Period Ending: October 31, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$	108,050
TOTAL AMOUNT DUE	\$	108,050

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 108,050

Due on or before Dec 26 2001

Bills should be paid by electronic funds transfer unless otherwise specifically provided. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.B and C of the General Rates Schedule effective October 1, 2001. All debts are subject to collection under applicable Federal laws.

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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: **30- 656-2001-OCT-A0**
Issue Date: **December 05, 2001**

Billing Period: **October 2001**
Period Ending: **October 31, 2001**

GENERATION

RATE	SERVICE	CONTRACT	SERVICE	SERVICE		REVENUE
SCHEDULE	DESCRIPTION	NUMBER	AMOUNT	UNIT	RATE	\$
FPS-96	Station Service	10768	1,080,500 kWh @		0.100000	108,050
Subtotal						108,050

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2001-SEP-A0
Issue Date: October 18, 2001
Billing Period: September 2001
Period Ending: September 30, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$	85,600
TOTAL AMOUNT DUE	\$	85,600

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 85,600

Due on or before Nov 7 2001

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2001-SEP-A0
Issue Date: October 18, 2001

Billing Period: September 2001
Period Ending: September 30, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
FPS-96	Station Service	10768	856,000	kWh @	0.100000	85,600
Subtotal						85,600

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2001-AUG-A0
Issue Date: September 25, 2001
Billing Period: August 2001
Period Ending: August 31, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$	94,400
TOTAL AMOUNT DUE	\$	94,400

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 94,400

Due on or before Oct 15 2001

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2001-AUG-A0
Issue Date: September 25, 2001

Billing Period: August 2001
Period Ending: August 31, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
FPS-96	Station Service	10768	944,000	kWh @	0.100000	94,400
Subtotal						94,400

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2001-JUL-A0
Issue Date: August 24, 2001
Billing Period: July 2001
Period Ending: July 31, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$	97,350
TOTAL AMOUNT DUE	\$	97,350

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$	97,350
Due on or before Sep 13 2001	

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2001-JUL-A0
Issue Date: August 24, 2001

Billing Period: July 2001
Period Ending: July 31, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
FPS-96	Station Service	10768	973,500	kWh @	0.100000	97,350
Subtotal						97,350

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2001-JUN-A0
Issue Date: July 11, 2001
Billing Period: June 2001
Period Ending: June 30, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$	114,850
TOTAL AMOUNT DUE	\$	114,850

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 114,850

Due on or before Jul 31 2001

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2001-JUN-A0
Issue Date: July 11, 2001

Billing Period: June 2001
Period Ending: June 30, 2001

GENERATION

RATE	SERVICE	CONTRACT	SERVICE	SERVICE		REVENUE
SCHEDULE	DESCRIPTION	NUMBER	AMOUNT	UNIT	RATE	\$
FPS-96	Station Service	10768	1,148,500	kWh @	0.100000	114,850
Subtotal						114,850

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2001-MAY-A0
Issue Date: June 11, 2001
Billing Period: May 2001
Period Ending: May 31, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$	130,800
TOTAL AMOUNT DUE	\$	130,800

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 130,800

Due on or before Jul 2 2001

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2001-MAY-A0
Issue Date: June 11, 2001

Billing Period: May 2001
Period Ending: May 31, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
FPS-96	Station Service	10768	1,308,000	kWh @	0.100000	130,800
Subtotal						130,800

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2001-MAR-A0
Issue Date: April 17, 2001
Billing Period: March 2001
Period Ending: March 31, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$	457,402
TOTAL AMOUNT DUE	\$	457,402

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 457,402

Due on or before May 7 2001

PLEASE NOTE
NAME CHANGE/ADDRESS CHANGE

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2001-MAR-A0
Issue Date: April 17, 2001

Billing Period: March 2001
Period Ending: March 31, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$	
FPS-96	Flexible Rate-Bundled-HLH	10768	339,000	kWh @	0.304710	103,297	1_ /
FPS-96	Flexible Rate-Bundled-LLH	10768	258,500	kWh @	0.270302	69,873	1_ /
FPS-96	Station Service	10768	2,826,500	kWh @	0.100000	282,650	
FPS-96	Unauthorized Increase	10768	3,500	kWh @	0.452080	1,582	2_ /
Subtotal						457,402	

NOTES:

1_ / Reflects average price during this period of service. See Attachment for daily energy and Mid-Columbia Market prices for Smelting Power.

2_ / Unauthorized Increase on 3/7 when load rose above 5000 kW per hour after having reached station service level below 5000 kW on 3/6 @ 1500.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

LONGVIEW ALUMINUM LLC
4900 FIRST AVENUE
MCCOOK IL 60525-3294

Bill ID: 30- 656-2001-FEB-A0
Issue Date: April 04, 2001
Billing Period: February 2001
Period Ending: February 28, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$	136,142
TOTAL AMOUNT DUE	\$	136,142

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 136,142

Due on or before Apr 24 2001

PLEASE NOTE

ADDRESS CHANGE

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **LONGVIEW ALUMINUM LLC**
Bill ID: 30- 656-2001-FEB-A0
Issue Date: April 04, 2001

Billing Period: February 2001
Period Ending: February 28, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$	
IP-96	Demand	10768	13,205	\$ @	1.000000	13,205	1_ /
IP-96	Energy - HLH	10768	4,239,000	kWh @	0.023150	98,133	
IP-96	Energy - LLH	10768	1,142,500	kWh @	0.021710	24,804	
Subtotal						136,142	

NOTES:

1_ / Demand Charge: Demand Charge is based on service of 255,000 kW per hour for a portion of February totaling 40 hours, 2/27 @ 0700 to 2/28 @2359.
 $(255,000\text{kW} * \$.87 * 40\text{hours}) / 672 \text{ hours} = \$13,205$

Questions concerning this Power Statement may be directed to Sharon Zenner, (503) 230-5806.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.



PBL Bill Scan Motiva QuickView

[User's Guide](#)[Change Password](#)[Log Out](#)

Power Business Line Bill Scan

Motiva/QuickView Search

Customer
Number: (WBS or BES numbers accepted here.)

Customer Name:

AE/Trader:

Billing Month:

- or -

From:

To:

Billing Year:



















- or -

From:

To:

[Advanced Sort](#)[Search](#)[Reset](#)

1997 - 10/3/2001

		3/14/2001	PBL Bill	Jan 2001	Reynolds Metals Company	675	10337
		3/23/2001	PBL Bill	Feb 2001	Reynolds Metals Company	675	10337
		4/27/2001	PBL Bill	Mar 2001	Reynolds Metals Company	675	10337
		5/30/2001	PBL Bill	Apr 2001	Reynolds Metals Company	675	10337
		6/7/2001	PBL Bill	May 2001	Reynolds Metals Company	675	10337
		7/10/2001	PBL Bill	Jun 2001	Reynolds Metals Company	675	10337
		8/27/2001	PBL Bill	Jul 2001	Reynolds Metals Company	675	10337
		9/26/2001	PBL Bill	Aug 2001	Reynolds Metals Company	675	10337
		10/3/2001	PBL Bill	Sep 2001	Reynolds Metals Company	675	10337

Documents 1 through 9 of 9

8/19/2005 5:22:05 PM

year 2001
[no 2002-05]

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **ESTIMATED**

REYNOLDS METALS COMPANY
BOB HUBER
6200 MALAGA-ALCOA HIGHWAY
MALAGA WA 98828

Bill ID: 30- 675-2001-MAR-A0
Issue Date: April 12, 2001
Billing Period: March 2001
Period Ending: March 31, 2001

PAYMENT SUMMARY	
------------------------	--

POWER STATEMENT	(\$ 1,425,525)
TOTAL AMOUNT DUE	(\$ 1,425,525)

Total Due REYNOLDS METALS COMPANY

(\$ 1,425,525)

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



This document printed on recycled paper.

BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2001-MAR-A0
Issue Date: April 12, 2001

Billing Period: March 2001
Period Ending: March 31, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	174,000	kW @	0.870000	151,380
IP-96	Energy - HLH	94865	75,168,000	kWh @	0.023150	1,740,139
IP-96	Energy - LLH	94865	54,228,000	kWh @	0.021710	1,177,290
IP-96	- Dev w/i Band HLH	94865	-751,680	kWh @	0.023150	(17,401)
IP-96	- Dev w/i Band LLH	94865	-542,880	kWh @	0.021710	(11,786)
IP-96	Load Regulation	94865	127,883,700	kWh @	0.000180	23,019
IP-96	Load Regulation Credit	94865	-108,624,000	kWh @	0.000180	(19,552)
FPS-96	- Dev w/i EI Band HLH	94865	-20,070	kWh @	0.019000	(381)
FPS-96	- Dev > EI Band HLH	94865	-8,430	kWh @	0.009500	(80)
FPS-96	- Dev w/i EI Band LLH	94865	-5,410	kWh @	0.017800	(96)
FPS-96	- Dev > EI Band LLH	94865	-390	kWh @	0.008900	(3)
FPS-96	Demand Exchange #1	10329	-76,000	\$ @	1.000000	(76,000)
FPS-97	Demand Exchange #2	10329	-199,360	\$ @	1.000000	(199,360)
FPS-96	Demand Exchange #3	10329	-47,520	\$ @	1.000000	(47,520)
FPS-96	Demand Exchange #4	10329	-16,000	\$ @	1.000000	(16,000)
FPS-96	Demand Exchange #5	10329	-124,310	\$ @	1.000000	(124,310)
FPS-96	Demand Exchange-ALC	10329	-55,056,000	kWh @	0.080000	(4,404,480)

Subtotal

(1,825,141)

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	248,000	kW @	1.000000	248,000
PTP-96	PRIOR Base Chrg-0201	94865	74,000	kWh @	1.000000	74,000
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

399,616

NOTES:

Load Regulation Credit reflects plant load not in BPA load control area or where load regulation is charged under a separate contract. Intalco Aluminum plant entered BPA load control on 10/01/2000. Load Regulation charged on Intalco invoice.

Delivery Charge ratchets established: Troutdale, 06/00.

Demand Exchange #1: Intalco, December, 2000 - 476,660 kWh

Demand Exchange #2: Intalco, January, 2001 - 997,788 kWh

Demand Exchange #3: Intalco, February 2001 - 334,704 kWh

BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-2001-MAR-A0
Issue Date: April 12, 2001

Billing Period: March 2001
Period Ending: March 31, 2001

NOTES: (continued)

Demand Exchange #4:Wenatchee, December, 2000 - 80,000 kWh
Demand Exchange #5:Wenatchee, January, 2001 - 560,000 kWh

Demand Exchange ALC: Reduction at Alcoa potline 2.

PRIOR Base Chrg 0201: Transmission Base Charge in February used 594 MW rather than 668 MW.
Base Charge is set for an annual amount and does not vary monthly.

Beginning with this bill, Transmission Base Charge is 248,000 kW. This equals prior value of 668,000 kW less 420,000 kW transmission to Longview plant.

ESTIMATED

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company		Billing Period	March 2001
Bill ID	30- 675-2001-MAR-A0		Period Ending	March 31, 2001
Energy Data, kwh	Total	HLH	LLH	
Hours in Month	744	432	312	
Request per Hour	174,000			
Curtailed per hour				
Reynolds Total	127,883,700	74,170,000	53,713,700	
Troutdale	651,600	364,800	286,800	
Addy-NW Alloy	18,608,100	10,733,200	7,874,900	
Intalco ¹	0	0	0	
Wenatchee via Chelan ²	108,624,000	63,072,000	45,552,000	
Total	127,883,700	74,170,000	53,713,700	
Delivery Outside BPA Load Control	(108,624,000)			
Unauthorized Increase	0	0	0	
Energy Imbalance Pos. Dev. Within Band	0	0	0	
IP Pos. Dev. Within Band	0	0	0	
Request	129,456,000	75,168,000	54,288,000	
IP Neg. Dev. Within Band	(1,538,000)	(969,500)	(568,500)	
Energy Imbalance Neg. Dev. Within Band	(25,480)	(20,070)	(5,410)	
Energy Imbalance Neg. Dev. Outside Band	(8,820)	(8,430)	(390)	
Total	127,883,700	74,170,000	53,713,700	
Curtailed Energy				
<u>Industrial Firm Power (IP)</u>				
IP Energy Load	127,883,700	74,170,000	53,713,700	
Hourly Take-or-Pay	34,300	28,500	5,800	
Daily Take-or-Pay	0	0	0	
Monthly Take-or-Pay	243,440	217,820	25,620	
Interrupted Load, Longview		(364,000)		
Total Take-or-Pay	(86,260)	(117,680)	31,420	
Net Dev. Within Band + Daily + Monthly	(1,294,560)	(751,680)	(542,880)	
<u>Energy Imbalance (APS)</u>				
Positive Deviation Within Band	0	0	0	
Negative Deviation Within Band	(25,480)	(20,070)	(5,410)	
Net Deviation Within Band	(25,480)	(20,070)	(5,410)	
Positive Deviation Outside Band	0	0	0	
Negative Deviation Outside Band	(8,820)	(8,430)	(390)	

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	March 2001
Bill ID	30- 675-2001-MAR-A0	Period Ending	March 31, 2001

Demand Data, kW	Fed. Sys. Peak	Coincidental	POD Peak	
	3/22 @ 0800	3/01 @ 01		
Troutdale	1,200	1,200	1,600	3/01 @ 01
Addy-NW Alloy	26,800	23,600	25,800	3/01 @ 01
Total Measured	28,000	24,800	27,400	
To Intalco	0	0	0	(scheduled)
To Wenatchee via Chelan	146,000	146,000	146,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Intalco Aluminum Company entered BPA Load Control on 10/1/00. Load regulation charged to Intalco Aluminum on total plant load.

² Not in BPA Load Control. Load Regulation charges credited back on invoice.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
BOB HUBER
6200 MALAGA-ALCOA HIGHWAY
MALAGA WA 98828

Bill ID: 30- 675-2001-MAR-A1
Issue Date: April 27, 2001
Billing Period: March 2001
Period Ending: March 31, 2001

PAYMENT SUMMARY

POWER STATEMENT

(\$ 1,301,215)

Total Amount Calculated For This Bill

(\$ 1,301,215)

Total Amount Due Through 30- 675-2001-MAR-A0

(\$ 1,425,525)

Total Adjustment Due

\$ 124,310

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 60000 File #74038
San Francisco CA 94160-4038

\$ 124,310

Due on or before May 17 2001

PLEASE NOTE

NAME CHANGE/ADDRESS CHANGE

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2001-MAR-A1
Issue Date: April 27, 2001

Billing Period: March 2001
Period Ending: March 31, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	174,000	kW @	0.870000	151,380
IP-96	Energy - HLH	94865	75,168,000	kWh @	0.023150	1,740,139
IP-96	Energy - LLH	94865	54,228,000	kWh @	0.021710	1,177,290
IP-96	- Dev w/i Band HLH	94865	-751,680	kWh @	0.023150	(17,401)
IP-96	- Dev w/i Band LLH	94865	-542,880	kWh @	0.021710	(11,786)
IP-96	Load Regulation	94865	127,883,700	kWh @	0.000180	23,019
IP-96	Load Regulation Credit	94865	-108,624,000	kWh @	0.000180	(19,552)
FPS-96	- Dev w/i EI Band HLH	94865	-20,070	kWh @	0.019000	(381)
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FPS-97	Demand Exchange #2	10329	-199,360	\$ @	1.000000	(199,360)
FPS-96	Demand Exchange #3	10329	-47,520	\$ @	1.000000	(47,520)
FPS-96	Demand Exchange #4	10329	-16,000	\$ @	1.000000	(16,000)
FPS-96	Demand Exchange-ALC	10329	-55,056,000	kWh @	0.080000	(4,404,480)
Subtotal						(1,700,831)

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	248,000	kW @	1.000000	248,000
PTP-96	PRIOR Base Chrg-0201	94865	74,000	kWh @	1.000000	74,000
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616
Subtotal						399,616

NOTES:

Load Regulation Credit reflects plant load not in BPA load control area or where load regulation is charged under a separate contract. Intalco Aluminum plant entered BPA load control on 10/01/2000. Load Regulation charged on Intalco invoice.

Delivery Charge ratchets established: Troutdale, 06/00.

Demand Exchange #1: Intalco, December, 2000 - 476,660 kWh
 Demand Exchange #2: Intalco, January, 2001 - 997,788 kWh
 Demand Exchange #3: Intalco, February 2001 - 334,704 kWh

BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2001-MAR-A1
Issue Date: April 27, 2001

Billing Period: March 2001
Period Ending: March 31, 2001

NOTES: (continued)

Demand Exchange #4:Wenatchee, December, 2000 - 80,000 kWh

Demand Exchange ALC: Reduction at Alcoa potline 2.

PRIOR Base Chrg 0201: Transmission Base Charge in February used 594 MW rather than 668 MW.
Base Charge is set for an annual amount and does not vary monthly.

Beginning with this bill, Transmission Base Charge is 248,000 kW. This equals prior value of 668,000 kW less 420,000 kW transmission to Longview plant.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company		Billing Period	March 2001
Bill ID	30- 675-2001-MAR-A1		Period Ending	March 31, 2001
Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>	
Hours in Month	744	432	312	
Request per Hour	174,000			
Curtailed per hour				
Reynolds Total	127,883,700	74,170,000	53,713,700	
Troutdale	651,600	364,800	286,800	
Addy-NW Alloy	18,608,100	10,733,200	7,874,900	
Intalco ¹	0	0	0	
Wenatchee via Chelan ²	108,624,000	63,072,000	45,552,000	
Total	127,883,700	74,170,000	53,713,700	
Delivery Outside BPA Load Control	(108,624,000)			
Unauthorized Increase	0	0	0	
Energy Imbalance Pos. Dev. Within Band	0	0	0	
IP Pos. Dev. Within Band	0	0	0	
Request	129,456,000	75,168,000	54,288,000	
IP Neg. Dev. Within Band	(1,538,000)	(969,500)	(568,500)	
Energy Imbalance Neg. Dev. Within Band	(25,480)	(20,070)	(5,410)	
Energy Imbalance Neg. Dev. Outside Band	(8,820)	(8,430)	(390)	
Total	127,883,700	74,170,000	53,713,700	
Curtailed Energy				
<u>Industrial Firm Power (IP)</u>				
IP Energy Load	127,883,700	74,170,000	53,713,700	
Hourly Take-or-Pay	34,300	28,500	5,800	
Daily Take-or-Pay	0	0	0	
Monthly Take-or-Pay	243,440	217,820	25,620	
Interrupted Load, Longview		(364,000)		
Total Take-or-Pay	(86,260)	(117,680)	31,420	
Net Dev. Within Band + Daily + Monthly	(1,294,560)	(751,680)	(542,880)	
<u>Energy Imbalance (APS)</u>				
Positive Deviation Within Band	0	0	0	
Negative Deviation Within Band	(25,480)	(20,070)	(5,410)	
Net Deviation Within Band	(25,480)	(20,070)	(5,410)	
Positive Deviation Outside Band	0	0	0	
Negative Deviation Outside Band	(8,820)	(8,430)	(390)	

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	March 2001
Bill ID	30- 675-2001-MAR-A1	Period Ending	March 31, 2001

Demand Data, kW	<u>Fed. Sys. Peak</u> 3/22 @ 0800	<u>Coincidental</u> 3/01 @ 01	<u>POD Peak</u>	
Troutdale	1,200	1,200	1,600	3/01 @ 01
Addy-NW Alloy	26,800	23,600	25,800	3/01 @ 01
Total Measured	28,000	24,800	27,400	
To Intalco	0	0	0	(scheduled)
To Wenatchee via Chelan	146,000	146,000	146,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Intalco Aluminum Company entered BPA Load Control on 10/1/00. Load regulation charged to Intalco Aluminum on total plant load.

² Not in BPA Load Control. Load Regulation charges credited back on invoice.

**Longview Smelter Load Summary
for the Period Prior to Assignment to
Longview Aluminum Company**

Month	kwh	akw
Jan-97	240,843,000	323,714
Feb-97	217,725,000	323,996
Mar-97	240,760,500	323,603
Apr-97	232,701,000	323,645
May-97	240,844,500	323,716
Jun-97	232,530,000	322,958
Jul-97	240,479,000	323,224
Aug-97	240,276,000	322,952
Sep-97	233,045,500	323,674
Oct-97	241,307,000	323,902
Nov-97	232,805,000	323,340
Dec-97	240,835,500	323,704
Jan-98	241,214,000	324,212
Feb-98	224,345,500	333,847
Mar-98	285,586,000	383,852
Apr-98	302,281,000	420,419
May-98	312,394,500	419,885
Jun-98	300,745,000	417,701
Jul-98	310,878,500	417,847
Aug-98	312,087,000	419,472
Sep-98	301,139,000	418,249
Oct-98	299,691,000	418,563
Nov-98	301,308,500	418,484
Dec-98	281,038,000	418,211
Jan-99	313,256,000	421,043
Feb-99	282,908,000	420,994
Mar-99	313,885,500	421,889
Apr-99	302,932,000	421,324
May-99	313,324,500	421,135
Jun-99	301,555,000	418,826
Jul-99	311,580,500	418,791
Aug-99	312,023,500	419,386
Sep-99	301,385,000	418,590
Oct-99	312,814,000	419,885
Nov-99	302,134,500	419,631
Dec-99	312,723,000	420,327
Jan-00	313,247,000	421,031
Feb-00	293,043,000	421,039
Mar-00	309,855,500	418,724
Apr-00	257,437,000	419,962
May-00	312,908,500	420,576
Jun-00	302,650,000	420,347
Jul-00	312,327,000	419,794
Aug-00	311,991,500	419,343
Sep-00	303,111,000	420,988
Oct-00	312,763,500	419,817
Nov-00	273,110,000	379,319
Dec-00	282,336,500	379,485
Jan-01	282,496,500	379,700
Feb-01	206,788,500	307,721

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2001-FEB-A0
Issue Date: March 23, 2001
Billing Period: February 2001
Period Ending: February 28, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$ 2,364,065
TOTAL AMOUNT DUE	\$ 2,364,065

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 2,364,065

Due on or before Apr 12 2001

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: **30- 675-2001-FEB-A0**
 Issue Date: **March 23, 2001**

Billing Period: **February 2001**
 Period Ending: **February 28, 2001**

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	594,000	kW @	0.870000	516,780
IP-96	Energy - HLH	94865	214,949,000	kWh @	0.023150	4,976,069
IP-96	Energy - LLH	94865	166,857,400	kWh @	0.021710	3,622,474
IP-96	- Dev w/i Band HLH	94865	-535,967	kWh @	0.023150	(12,408)
IP-96	- Dev w/i Band LLH	94865	-534,333	kWh @	0.021710	(11,600)
IP-96	Load Regulation	94865	378,793,600	kWh @	0.000180	68,183
IP-96	Load Regulation Credit	94865	-123,662,000	kWh @	0.000180	(22,259)
FPS-96	- Dev w/i EI Band HLH	94865	-91,200	kWh @	0.019000	(1,733)
FPS-96	- Dev > EI Band HLH	94865	-433,800	kWh @	0.009500	(4,121)
FPS-96	- Dev w/i EI Band LLH	94865	-42,400	kWh @	0.017800	(755)
FPS-96	- Dev > EI Band LLH	94865	-475,100	kWh @	0.008900	(4,228)
FPS-96	Demand Credit	10329	-15,743	\$ @	1.000000	(15,743)
FPS-96	Demand Exchange-ALC	10329	-49,728,000	kWh @	0.080000	(3,978,240)
FPS-96	Demand Exchange-LV	10329	-36,125,000	kWh @	0.100000	(3,612,500)

Subtotal

1,519,919

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	594,000	kW @	1.000000	594,000
PTP-96	Del. Charge Longview	94865	426,000	kW @	0.405000	172,530
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

844,146

NOTES:

Load Regulation Credit reflects plant load not in BPA load control area or where load regulation is charged under a separate contract. Intalco Aluminum plant entered BPA load control on 10/01/2000. Load Regulation charged on Intalco invoice.

Change of ownership at Longview smelting facility on 2/27 @ 0700 results in billing some services for partial month.

Demand Credit: proportional credit for change in ownership of Longview smelter, based on 380 MW for 32 hours on February 27 and 28.

Demand Exchange LV: Demand at Longview reduced from 2/15 @ 0500 to time of transfer. Total reduction period is 289 hours * 125,000 kW = 36,125,000 kWh.

BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2001-FEB-A0
Issue Date: March 23, 2001

Billing Period: February 2001
Period Ending: February 28, 2001

NOTES: (continued)

Delivery Charge ratchets established: Longview, 9/00; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company		Billing Period	March 2001
	LONGVIEW PLANT			
Energy Data, kwh		<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month		630	352	278
Request per Hour	380,000			
Metered Plus 125,000 Curtail	237,532,000	132,713,500	104,818,500	
Metered	201,407,000	112,713,500	88,693,500	
Energy Credit	36,125,000	20,000,000	16,125,000	
Unauthorized Increase	0	0	0	
Energy Imbalance Pos. Dev. Within Band	0	0	0	
IP Pos. Dev. Within Band	144,000	67,500	76,500	
Request	239,400,000	133,760,000	105,640,000	
IP Neg. Dev. Within Band	(969,500)	(589,000)	(380,500)	
Energy Imbalance Neg. Dev. Within Band	(133,600)	(91,200)	(42,400)	
Energy Imbalance Neg. Dev. Outside Band	(908,900)	(433,800)	(475,100)	
Total	237,532,000	132,713,500	104,818,500	
<u>Industrial Firm Power (IP)</u>				
IP Energy Load	237,532,000	132,713,500	104,818,500	
Hourly Take-or-Pay	1,042,500	525,000	517,500	
Daily Take-or-Pay	0	0	0	
Monthly Take-or-Pay	0	0	0	
Total Take-or-Pay	1,042,500	525,000	517,500	
Net Dev. Within Band + Daily + Monthly	(825,500)	(521,500)	(304,000)	
<u>Energy Imbalance (APS)</u>				
Positive Deviation Within Band	0	0	0	
Negative Deviation Within Band	(133,600)	(91,200)	(42,400)	
Net Deviation Within Band	(133,600)	(91,200)	(42,400)	
Positive Deviation Outside Band	0	0	0	
Negative Deviation Outside Band	(908,900)	(433,800)	(475,100)	

This Attachment reports service to Longview from 2/1 to transfer on 2/27 at 0700.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company		Billing Period	February 2001
Bill ID	30- 675-2001-FEB-A0		Period Ending	February 28, 2001
Energy Data, kwh	Total	HLH	LLH	
Hours in Month	672	384	288	
Request per Hour	214,000			
Reynolds Total	141,261,600	80,530,000	60,731,600	
Troutdale	672,800	373,600	299,200	
Addy-NW Alloy	16,926,800	9,614,600	7,312,200	
Intalco ¹	6,380,000	3,600,000	2,780,000	
Wenatchee ALCOA ²	117,282,000	66,894,000	50,388,000	
Total	141,261,600	80,482,200	60,779,400	
Credit Against BPA Load Control Charges	(123,662,000)			
Unauthorized Increase	0	0	0	
Energy Imbalance Pos. Dev. Within Band	0	0	0	
IP Pos. Dev. Within Band	0	0	0	
Request	142,406,400	81,189,000	61,217,400	
IP Neg. Dev. Within Band	(1,144,800)	(659,000)	(485,800)	
Energy Imbalance Neg. Dev. Within Band	0	0	0	
Energy Imbalance Neg. Dev. Outside Band	0	0	0	
Total	141,261,600	80,530,000	60,731,600	
Industrial Firm Power (IP)				
IP Energy Load	141,261,600	80,530,000	60,731,600	
Hourly Take-or-Pay	0	0	0	
Daily Take-or-Pay	900,000	644,533	255,467	
Monthly Take-or-Pay	0	0	0	
Total Take-or-Pay	900,000	644,533	255,467	
Net Dev. Within Band + Daily + Monthly	(244,800)	(14,467)	(230,333)	
Energy Imbalance (APS)				
Positive Deviation Within Band	0	0	0	
Negative Deviation Within Band	0	0	0	
Net Deviation Within Band	0	0	0	
Positive Deviation Outside Band	0	0	0	
Negative Deviation Outside Band	0	0	0	

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	February 2001
Bill ID	30- 675-2001-FEB-A0	Period Ending	February 28, 2001

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	2/09 @ 0800	2/05 @ 2300		
Longview	380,000	382,500	382,500	2/05 @ 2300
Troutdale	1,600	1,200	1,600	2/09 @ 0800
Addy-NW Alloy	23,400	26,100	26,900	2/01 @ 2100
Total Measured	405,000	409,800	411,000	
To Intalco	10,000	10,000	10,000	(scheduled)
To Wenatchee via Chelan	176,000	176,000	176,000	(scheduled)
Contract Obligation	594,000			
IP Demand	594,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

Energy service to Longview is computed separately due to different period of service.

- ¹ Intalco Aluminum Company entered BPA Load Control on 10/1/00. Load regulation charged in Intalco Wholesale power Bill as portion of total plant load.
- ² Delivered to Wenatchee outside BPA load control.

CUST-CYCM REF SEQ
30 6750102 A 0

Reynolds Metals Company

PO Box 999

BILLING-DATE BILLING-PERIOD Longview WA 98632-0086
03/23/01 02/01/01 02/28/01

ANALYST
Doug Couch, (503) 230-3312

ACCT-	CONT-	TY	-----DESCRIPTION-----	-----RATE----	U	-----POWER-----	---REVENUE---
1	61101	94865	Demand	0.87000	W	594,000	516,780.00
2	61121	94865	Energy - HLH	0.02315	H	214,949,000	4,976,069.00
3	61122	94865	Energy - LLH	0.02171	H	166,857,400	3,622,474.00
4	61121	94865	- Dev w/i Band HLH	0.02315	H	-535,967	-12,408.00
5	61122	94865	- Dev w/i Band LLH	0.02171	H	-534,333	-11,600.00
6	61131	94865	Load Regulation	0.00018	H	378,793,600	68,183.00
7	61131	94865	Load Regulation Credit	0.00018	H	-123,662,000	-22,259.00
8	63461	94865	- Dev w/i EI Band HLH	0.01900	H	-91,200	-1,733.00
9	63471	94865	- Dev > EI Band HLH	0.00950	H	-433,800	-4,121.00
10	63462	94865	- Dev w/i EI Band LLH	0.01780	H	-42,400	-755.00
11	63472	94865	- Dev > EI Band LLH	0.00890	H	-475,100	-4,228.00
12	61101	10329	Demand Credit	1.00000		-15,743	-15,743.00
13	79510	10329	Demand Exchange-ALC	0.08000	H	-49,728,000	-3,978,240.00
14	79510	10329	Demand Exchange-LV	0.10000	H	-36,125,000	-3,612,500.00
15	65501	94865	Base Charge	1.00000	W	594,000	594,000.00
16	67403	94865	Del. Charge Longview	0.40500	W	426,000	172,530.00
17	67403	94865	Del. Charge Troutdale	0.46200	W	168,000	77,616.00

03-23-01 16:05 OUT

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **ESTIMATED**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2001-JAN-A0
Issue Date: February 08, 2001
Billing Period: January 2001
Period Ending: January 31, 2001

PAYMENT SUMMARY

POWER STATEMENT	\$ 12,589,463
TOTAL AMOUNT DUE	\$ 12,589,463

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 12,589,463

Due on or before Feb 28 2001

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-2001-JAN-A0
 Issue Date: February 08, 2001

Billing Period: January 2001
 Period Ending: January 31, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	288,576,000	kWh @	0.023150	6,680,534
IP-96	Energy - LLH	94865	208,416,000	kWh @	0.021710	4,524,711
IP-96	+Dev w/i Band HLH	94865	-1,142,600	kWh @	0.023150	(26,451)
IP-96	+Dev w/i Band LLH	94865	-690,100	kWh @	0.021710	(14,982)
IP-96	Load Regulation	94865	301,118,000	kWh @	0.000180	54,201
FPS-96	- Dev w/i EI Band HLH	94865	-60,120	kWh @	0.019000	(1,142)
FPS-96	- Dev > EI Band HLH	94865	-164,780	kWh @	0.009500	(1,565)
FPS-96	- Dev w/i EI Band LLH	94865	-20,040	kWh @	0.017800	(357)
FPS-96	- Dev > EI Band LLH	94865	-54,160	kWh @	0.008900	(482)
FPS-96	Demand Exchange	94865	-170,000	kWh @	0.200000	(34,000)
FPS-96	Demand Exchange	94865	-80,000	kWh @	0.207000	(16,560)
FPS-96	Demand Exchange	94865	-150,000	kWh @	0.225000	(33,750)
FPS-96	Demand Exchange	94865	-160,000	kWh @	0.250000	(40,000)

Subtotal

11,671,317

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	426,000	kW @	0.405000	172,530
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

918,146

NOTES:

Load Regulation Credit reflects portion of total plant load not in BPA load control area or where load regulation is charged to the plant under a separate contract. Intalco Aluminum plant entered BPA load control on 10/01/2000.

Delivery Charge ratchets established: Longview, 9/00; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	January 2001
Bill ID	30- 675-2001-JAN-A0	Period Ending	January 31, 2001
Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	432	312
Request per Hour	668,000		
Reynolds Total	494,734,000	287,082,300	207,651,700
Longview	282,496,500	164,035,500	118,461,000
Troutdale	870,000	498,400	371,600
Addy-NW Alloy	17,751,500	10,222,400	7,529,100
Intalco ¹	10,416,000	6,048,000	4,368,000
Wenatchee via Chelan ²	182,640,000	106,704,000	77,064,000
Demand Exchange At Wenatchee	560,000		
Total	494,734,000	287,508,300	207,793,700
Delivery Outside BPA Load Control	(193,616,000)		
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	57,000	23,600	33,400
Request	496,992,000	288,576,000	208,416,000
IP Neg. Dev. Within Band	(2,015,900)	(1,292,400)	(723,500)
Energy Imbalance Neg. Dev. Within Band	(80,160)	(60,120)	(20,040)
Energy Imbalance Neg. Dev. Outside Band	(218,940)	(164,780)	(54,160)
Total	494,734,000	287,082,300	207,651,700
Industrial Firm Power (IP)			
IP Energy Load	494,734,000	287,082,300	207,651,700
Hourly Take-or-Pay	299,100	224,900	74,200
Daily Take-or-Pay	126,200	126,200	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	425,300	351,100	74,200
Net Dev. Within Band + Daily + Monthly	(1,832,700)	(1,142,600)	(690,100)
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	(80,160)	(60,120)	(20,040)
Net Deviation Within Band	(80,160)	(60,120)	(20,040)
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	(218,940)	(164,780)	(54,160)

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	January 2001
Bill ID	30- 675-2001-JAN-A0	Period Ending	January 31, 2001

Demand Data, kW	<u>Fed. Sys. Peak</u> 1/03 @ 0800	<u>Coincidental</u> 1/09 @ 2100	<u>POD Peak</u>	
Longview	380,000	382,000	382,000	1/09 @ 2100
Troutdale	1,600	1,200	1,600	12/01 @ 0700
Addy-NW Alloy	23,400	23,600	25,800	1/01 @ 2100
Total Measured	405,000	406,800	409,400	
To Intalco	14,000	14,000	14,000	(scheduled)
To Wenatchee via Chelan	247,000	247,000	247,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Intalco Aluminum Company entered BPA Load Control on 10/1/00. Load regulation

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2001-JAN-A1
Issue Date: March 14, 2001
Billing Period: January 2001
Period Ending: January 31, 2001

PAYMENT SUMMARY

POWER STATEMENT

\$ 12,589,463

Total Amount Calculated For This Bill
Total Amount Due Through 30- 675-2001-JAN-A0
Total Adjustment Due

\$ 12,589,463
\$ 12,589,463
0

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2001-JAN-A1
Issue Date: March 14, 2001

Billing Period: January 2001
Period Ending: January 31, 2001

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	288,576,000	kWh @	0.023150	6,680,534
IP-96	Energy - LLH	94865	208,416,000	kWh @	0.021710	4,524,711
IP-96	+Dev w/i Band HLH	94865	-1,142,600	kWh @	0.023150	(26,451)
IP-96	+Dev w/i Band LLH	94865	-690,100	kWh @	0.021710	(14,982)
IP-96	Load Regulation	94865	494,734,000	kWh @	0.000180	89,052
IP-96	Load Regulation Credit	94865	-193,616,000	kWh @	0.000180	(34,851)
FPS-96	- Dev w/i EI Band HLH	94865	-60,120	kWh @	0.019000	(1,142)
FPS-96	- Dev > EI Band HLH	94865	-164,780	kWh @	0.009500	(1,565)
FPS-96	- Dev w/i EI Band LLH	94865	-20,040	kWh @	0.017800	(357)
FPS-96	- Dev > EI Band LLH	94865	-54,160	kWh @	0.008900	(482)
FPS-96	Demand Exchange	10329	-170,000	kWh @	0.200000	(34,000)
FPS-96	Demand Exchange	10329	-80,000	kWh @	0.207000	(16,560)
FPS-96	Demand Exchange	10329	-150,000	kWh @	0.225000	(33,750)
FPS-96	Demand Exchange	10329	-160,000	kWh @	0.250000	(40,000)
Subtotal						11,671,317

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
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PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616
Subtotal						918,146

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Delivery Charge ratchets established: Longview, 9/00; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
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 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	January 2001
Bill ID	30- 675-2001-JAN-A1	Period Ending	January 31, 2001
Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	432	312
Request per Hour	668,000		
Reynolds Total	494,734,000	287,082,300	207,651,700
Longview	282,496,500	164,035,500	118,461,000
Troutdale	870,000	498,400	371,600
Addy-NW Alloy	17,751,500	10,222,400	7,529,100
Intalco ¹	10,416,000	6,048,000	4,368,000
Wenatchee via Chelan ²	182,640,000	106,704,000	77,064,000
Demand Exchange At Wenatchee	560,000		
Total	494,734,000	287,508,300	207,793,700
Delivery Outside BPA Load Control	(193,616,000)		
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	57,000	23,600	33,400
Request	496,992,000	288,576,000	208,416,000
IP Neg. Dev. Within Band	(2,015,900)	(1,292,400)	(723,500)
Energy Imbalance Neg. Dev. Within Band	(80,160)	(60,120)	(20,040)
Energy Imbalance Neg. Dev. Outside Band	(218,940)	(164,780)	(54,160)
Total	494,734,000	287,082,300	207,651,700
<u>Industrial Firm Power (IP)</u>			
IP Energy Load	494,734,000	287,082,300	207,651,700
Hourly Take-or-Pay	299,100	224,900	74,200
Daily Take-or-Pay	126,200	126,200	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	425,300	351,100	74,200
Net Dev. Within Band + Daily + Monthly	(1,832,700)	(1,142,600)	(690,100)
<u>Energy Imbalance (APS)</u>			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	(80,160)	(60,120)	(20,040)
Net Deviation Within Band	(80,160)	(60,120)	(20,040)
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	(218,940)	(164,780)	(54,160)

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	January 2001
Bill ID	30- 675-2001-JAN-A1	Period Ending	January 31, 2001

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	1/03 @ 0800	1/09 @ 2100		
Longview	380,000	382,000	382,000	1/09 @ 2100
Troutdale	1,600	1,200	1,600	12/01 @ 0700
Addy-NW Alloy	23,400	23,600	25,800	1/01 @ 2100
Total Measured	405,000	406,800	409,400	
To Intalco	14,000	14,000	14,000	(scheduled)
To Wenatchee via Chelan	247,000	247,000	247,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Intalco Aluminum Company entered BPA Load Control on 10/1/00. Load regulation

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **ESTIMATED**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-DEC-A0
Issue Date: January 05, 2001
Billing Period: December 2000
Period Ending: December 31, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 12,429,874
TOTAL AMOUNT DUE	\$ 12,429,874

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 12,429,874

Due on or before Jan 25 2001

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-2000-DEC-A0
 Issue Date: January 05, 2001

Billing Period: December 2000
 Period Ending: December 31, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	277,888,000	kWh @	0.022800	6,335,846
IP-96	Energy - LLH	94865	219,104,000	kWh @	0.021340	4,675,679
IP-96	+Dev w/i Band HLH	94865	300	kWh @	0.022800	7
IP-96	- Dev w/i Band HLH	94865	-3,570,300	kWh @	0.022800	(81,403)
IP-96	- Dev w/i Band LLH	94865	-2,493,500	kWh @	0.021340	(53,211)
IP-96	Load Regulation	94865	490,928,500	kWh @	0.000180	88,367
IP-96	Load Regulation Credit	94865	-193,048,000	kWh @	0.000180	(34,749)
IP-96	PRIOR 0011 + Dev w/i	94865	1,400	kWh @	0.022800	32

Subtotal

11,511,728

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	426,000	kW @	0.405000	172,530
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

918,146

NOTES:

Load Regulation Credit reflects portion of total plant load not in BPA load control area or where load regulation is charged to the plant under a separate contract. Intalco Aluminum plant entered BPA load control on 10/01/2000.

Delivery Charge ratchets established: Longview, 9/00; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	December 2000
Bill ID	30- 675-2000-DEC-A0	Period Ending	December 31, 2000
Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	416	328
Request per Hour	668,000		
Reynolds Total	490,928,500	274,318,000	216,610,500
Longview	282,336,500	157,865,000	124,471,500
Troutdale	933,200	520,400	412,800
Addy-NW Alloy	14,610,800	8,060,600	6,550,200
Intalco ¹	9,280,000	5,120,000	4,160,000
Wenatchee via Chelan ²	183,768,000	102,752,000	81,016,000
Total	490,928,500	274,318,000	216,610,500
Delivery Outside BPA Load Control	(193,048,000)		
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	300	300	0
Request	496,992,000	277,888,000	219,104,000
IP Neg. Dev. Within Band	(6,063,800)	(3,570,300)	(2,493,500)
Energy Imbalance Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	490,928,500	274,318,000	216,610,500
Industrial Firm Power (IP)			
IP Energy Load	490,928,500	274,318,000	216,610,500
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	1,093,580	791,120	302,460
Interrupted Load, Longview		(364,000)	
Total Take-or-Pay	729,580	427,120	302,460
Net Dev. Within Band + Daily + Monthly	(4,969,920)	(2,778,880)	(2,191,040)
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	0	0	0
Net Deviation Within Band	0	0	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

U.S. Department of Energy
 Bonneville Power Administration
 WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	December 2000
Bill ID	30- 675-2000-DEC-A0	Period Ending	December 31, 2000

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	12/13 @ 1800	12/02 @ 2100		
Longview	380,000	383,500	383,500	12/02 @ 2100
Troutdale	1,200	1,200	1,600	12/01 @ 0700
Addy-NW Alloy	23,400	23,600	25,800	12/02 @ 1600
Total Measured	404,600	408,300	410,900	
To Intalco	13,000	13,000	13,000	(scheduled)
To Wenatchee via Chelan	247,000	247,000	247,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Intalco Aluminum Company entered BPA Load Control on 10/1/00. Load regulation

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-DEC-A1
Issue Date: February 09, 2001
Billing Period: December 2000
Period Ending: December 31, 2000

PAYMENT SUMMARY

POWER STATEMENT

\$ 12,429,874

Total Amount Calculated For This Bill

\$ 12,429,874

Total Amount Due Through 30- 675-2000-DEC-A0

\$ 12,429,874

Total Adjustment Due

0

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-2000-DEC-A1
 Issue Date: February 09, 2001

Billing Period: December 2000
 Period Ending: December 31, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	277,888,000	kWh @	0.022800	6,335,846
IP-96	Energy - LLH	94865	219,104,000	kWh @	0.021340	4,675,679
IP-96	+Dev w/i Band HLH	94865	300	kWh @	0.022800	7
IP-96	- Dev w/i Band HLH	94865	-3,570,300	kWh @	0.022800	(81,403)
IP-96	- Dev w/i Band LLH	94865	-2,493,500	kWh @	0.021340	(53,211)
IP-96	Load Regulation	94865	490,928,500	kWh @	0.000180	88,367
IP-96	Load Regulation Credit	94865	-193,048,000	kWh @	0.000180	(34,749)
IP-96	PRIOR 0011 + Dev w/i	94865	1,400	kWh @	0.022800	32

Subtotal

11,511,728

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	426,000	kW @	0.405000	172,530
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

918,146

NOTES:

Load Regulation Credit reflects portion of total plant load not in BPA load control area or where load regulation is charged to the plant under a separate contract. Intalco Aluminum plant entered BPA load control on 10/01/2000.

Delivery Charge ratchets established: Longview, 9/00; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	December 2000
Bill ID	30- 675-2000-DEC-A1	Period Ending	December 31, 2000
Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	416	328
Request per Hour	668,000		
Reynolds Total	490,928,500	274,318,000	216,610,500
Longview	282,336,500	157,865,000	124,471,500
Troutdale	933,200	520,400	412,800
Addy-NW Alloy	14,610,800	8,060,600	6,550,200
Intalco ¹	9,280,000	5,120,000	4,160,000
Wenatchee via Chelan ²	183,768,000	102,752,000	81,016,000
Total	490,928,500	274,318,000	216,610,500
Delivery Outside BPA Load Control	(193,048,000)		
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	300	300	0
Request	496,992,000	277,888,000	219,104,000
IP Neg. Dev. Within Band	(6,063,800)	(3,570,300)	(2,493,500)
Energy Imbalance Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	490,928,500	274,318,000	216,610,500
Industrial Firm Power (IP)			
IP Energy Load	490,928,500	274,318,000	216,610,500
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	1,093,580	791,120	302,460
Interrupted Load, Longview		(364,000)	
Total Take-or-Pay	729,580	427,120	302,460
Net Dev. Within Band + Daily + Monthly	(4,969,920)	(2,778,880)	(2,191,040)
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	0	0	0
Net Deviation Within Band	0	0	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	December 2000
Bill ID	30- 675-2000-DEC-A1	Period Ending	December 31, 2000

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	12/13 @ 1800	12/02 @ 2100		
Longview	380,000	383,500	383,500	12/02 @ 2100
Troutdale	1,200	1,200	1,600	12/01 @ 0700
Addy-NW Alloy	23,400	23,600	25,800	12/02 @ 1600
Total Measured	404,600	408,300	410,900	
To Intalco	13,000	13,000	13,000	(scheduled)
To Wenatchee via Chelan	247,000	247,000	247,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Intalco Aluminum Company entered BPA Load Control on 10/1/00. Load regulation

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **ESTIMATED**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-NOV-A0
Issue Date: December 04, 2000
Billing Period: November 2000
Period Ending: November 30, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 12,044,271
TOTAL AMOUNT DUE	\$ 12,044,271

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 12,044,271

Due on or before Dec 26 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2000-NOV-A0
Issue Date: December 04, 2000

Billing Period: November 2000
Period Ending: November 30, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	277,888,000	kWh @	0.022800	6,335,846
IP-96	Energy - LLH	94865	203,072,000	kWh @	0.021340	4,333,556
IP-96	- Dev w/i Band HLH	94865	-4,756,500	kWh @	0.022800	(108,448)
IP-96	- Dev w/i Band LLH	94865	-3,258,000	kWh @	0.021340	(69,526)
IP-96	Load Regulation	94865	472,945,600	kWh @	0.000180	85,130
IP-96	Load Regulation Credit	94865	-175,536,000	kWh @	0.000180	(31,596)
FPS-96	+Dev w/i EI Band HLH	94865	1,400	kWh @	0.018600	26
FPS-96	- Dev w/i EI Band LLH	94865	-1,300	kWh @	0.017500	(23)

Subtotal

11,126,125

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	426,000	kW @	0.405000	172,530
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

918,146

NOTES:

Load Regulation Credit reflects portion of total plant load not in BPA load control area or where load regulation is charged to the plant under a separate contract. Intalco Aluminum plant entered BPA load control on 10/01/2000.

Delivery Charge ratchets established: Longview, 9/00; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	November 2000
Bill ID	30- 675-2000-NOV-A0	Period Ending	November 30, 2000
Energy Data, kwh	Total	HLH	LLH
Hours in Month	720	416	304
Request per Hour	668,000		
Reynolds Total	472,945,600	273,132,900	199,812,700
Longview	273,110,000	157,814,000	115,296,000
Troutdale	962,800	556,800	406,000
Addy-NW Alloy	13,976,800	7,978,100	5,998,700
Intalco	9,360,000	5,408,000	3,952,000
Wenatchee via Chelan ¹	175,536,000	101,376,000	74,160,000
Total	472,945,600	273,132,900	199,812,700
Delivery Outside BPA Load Control	175,536,000		
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	1,400	1,400	0
Request	480,960,000	277,888,000	203,072,000
IP Neg. Dev. Within Band	(8,014,500)	(4,756,500)	(3,258,000)
Energy Imbalance Neg. Dev. Within Band	(1,300)	0	(1,300)
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	472,945,600	273,132,900	199,812,700
Industrial Firm Power (IP)			
IP Energy Load	472,945,600	273,132,900	199,812,700
Hourly Take-or-Pay	1,300	0	1,300
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	3,203,500	1,976,220	1,227,280
Interrupted Load, Longview		(364,000)	
Total Take-or-Pay	2,840,800	1,612,220	1,228,580
Net Dev. Within Band + Daily + Monthly	(4,809,600)	(2,778,880)	(2,030,720)
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	(1,300)	0	(1,300)
Net Deviation Within Band	(1,300)	0	(1,300)
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	November 2000
Bill ID	30- 675-2000-NOV-A0	Period Ending	November 30, 2000

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	11/17 @ 0800	11/01 @ 0900		
Longview	380,000	396,000	396,000	11/01 @ 0900
Troutdale	1,600	1,200	2,400	11/06 @ 0800
Addy-NW Alloy	20,100	22,600	27,000	11/04 @ 1200
Total Measured	401,700	419,800	425,400	
To Intalco	13,000	13,000	13,000	(scheduled)
To Wenatchee via Chelan	246,000	240,000	246,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

- ¹ Not in BPA Load Control. Load Regulation charges credited back on invoice.
Intalco Aluminum Company entered BPA Load Control on 10/1/00.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-NOV-A1
Issue Date: December 27, 2000
Billing Period: November 2000
Period Ending: November 30, 2000

PAYMENT SUMMARY

POWER STATEMENT

\$ 12,044,271

Total Amount Calculated For This Bill

\$ 12,044,271

Total Amount Due Through 30- 675-2000-NOV-A0

\$ 12,044,271

Total Adjustment Due

0

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-2000-NOV-A1
 Issue Date: December 27, 2000

Billing Period: November 2000
 Period Ending: November 30, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	277,888,000	kWh @	0.022800	6,335,846
IP-96	Energy - LLH	94865	203,072,000	kWh @	0.021340	4,333,556
IP-96	- Dev w/i Band HLH	94865	-4,756,500	kWh @	0.022800	(108,448)
IP-96	- Dev w/i Band LLH	94865	-3,258,000	kWh @	0.021340	(69,526)
IP-96	Load Regulation	94865	472,945,600	kWh @	0.000180	85,130
IP-96	Load Regulation Credit	94865	-175,536,000	kWh @	0.000180	(31,596)
FPS-96	+Dev w/i EI Band HLH	94865	1,400	kWh @	0.018600	26
FPS-96	- Dev w/i EI Band LLH	94865	-1,300	kWh @	0.017500	(23)

Subtotal

11,126,125

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	426,000	kW @	0.405000	172,530
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

918,146

NOTES:

Load Regulation Credit reflects portion of total plant load not in BPA load control area or where load regulation is charged to the plant under a separate contract. Intalco Aluminum plant entered BPA load control on 10/01/2000.

Delivery Charge ratchets established: Longview, 9/00; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	November 2000
Bill ID	30- 675-2000-NOV-A1	Period Ending	November 30, 2000
Energy Data, kwh	Total	HLH	LLH
Hours in Month	720	416	304
Request per Hour	668,000		
Reynolds Total	472,945,600	273,132,900	199,812,700
Longview	273,110,000	157,814,000	115,296,000
Troutdale	962,800	556,800	406,000
Addy-NW Alloy	13,976,800	7,978,100	5,998,700
Intalco	9,360,000	5,408,000	3,952,000
Wenatchee via Chelan ¹	175,536,000	101,376,000	74,160,000
Total	472,945,600	273,132,900	199,812,700
Delivery Outside BPA Load Control	175,536,000		
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	1,400	1,400	0
Request	480,960,000	277,888,000	203,072,000
IP Neg. Dev. Within Band	(8,014,500)	(4,756,500)	(3,258,000)
Energy Imbalance Neg. Dev. Within Band	(1,300)	0	(1,300)
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	472,945,600	273,132,900	199,812,700
Industrial Firm Power (IP)			
IP Energy Load	472,945,600	273,132,900	199,812,700
Hourly Take-or-Pay	1,300	0	1,300
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	3,203,500	1,976,220	1,227,280
Interrupted Load, Longview		(364,000)	
Total Take-or-Pay	2,840,800	1,612,220	1,228,580
Net Dev. Within Band + Daily + Monthly	(4,809,600)	(2,778,880)	(2,030,720)
Demand Data, kW	Fed. Sys. Peak	Coincidental	POD Peak
	11/17 @ 0800	11/01 @ 0900	
Longview	380,000	396,000	396,000 11/01 @ 0900
Troutdale	1,600	1,200	2,400 11/06 @ 0800
Addy-NW Alloy	20,100	22,600	27,000 11/04 @ 1200
Total Measured	401,700	419,800	425,400
To Intalco	13,000	13,000	13,000 (scheduled)
To Wenatchee via Chelan	246,000	240,000	246,000 (scheduled)
Contract Obligation	668,000		
IP Demand	668,000		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	

¹ Not in BPA Load Control. Load Regulation charges credited back on invoice.
Intalco Aluminum Company entered BPA Load Control on 10/1/00.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL ESTIMATED

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-OCT-A0
Issue Date: November 02, 2000
Billing Period: October 2000
Period Ending: October 31, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 12,185,240
TOTAL AMOUNT DUE	\$ 12,185,240

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 12,185,240

Due on or before Nov 22 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1998.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2000-OCT-A0
Issue Date: November 02, 2000

Billing Period: October 2000
Period Ending: October 31, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	277,888,000	kWh @	0.022800	6,335,846
IP-96	Energy - LLH	94865	219,772,000	kWh @	0.021340	4,689,934
IP-96	- Dev w/i Band HLH	94865	-9,972,200	kWh @	0.022800	(227,366)
IP-96	- Dev w/i Band LLH	94865	-7,784,100	kWh @	0.021340	(166,113)
IP-96	Load Regulation	94865	479,524,700	kWh @	0.000180	86,314
IP-96	Load Regulation Credit	94865	-149,000,000	kWh @	0.000180	(26,820)
FPS-96	- Dev w/i EI Band HLH	94865	-189,940	kWh @	0.018600	(3,533)
FPS-96	- Dev > EI Band HLH	94865	-64,560	kWh @	0.009300	(600)
FPS-96	- Dev w/i EI Band LLH	94865	-73,300	kWh @	0.017500	(1,283)
FPS-96	- Dev > EI Band LLH	94865	-51,200	kWh @	0.008700	(445)

Subtotal

11,267,094

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	426,000	kW @	0.405000	172,530
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

918,146

NOTES:

Load Regulation Credit reflects portion of total plant load not in BPA load control area.
 Intalco Aluminum plant entered BPA load control on 10/01/2000.

Delivery Charge ratchets established: Longview, 9/00; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company		Billing Period	October 2000
Bill ID	30- 675-2000-OCT-A0		Period Ending	October 31, 2000
Energy Data, kwh		Total	HLH	LLH
Hours In Month		745	416	329
Request per Hour	668,000			
Reynolds Total		479,278,300	267,661,300	211,617,000
Longview		312,762,500	174,725,500	138,037,000
Troutdale		975,200	539,600	435,600
Addy-NW Alloy		16,453,000	8,988,200	7,464,800
Intalco		9,685,000	5,408,000	4,277,000
Wenatchee via Chelan ¹		149,000,000	83,200,000	65,800,000
Total		488,875,700	272,861,300	216,014,400
Delivery Outside BPA Load Control		(149,000,000)		
Unauthorized Increase		0	0	0
Energy Imbalance Pos. Dev. Within Band		0	0	0
IP Pos. Dev. Within Band		0	0	0
Request		497,660,000	277,888,000	219,772,000
IP Neg. Dev. Within Band		(17,756,300)	(9,972,200)	(7,784,100)
Energy Imbalance Neg. Dev. Within Band		(263,240)	(189,940)	(73,300)
Energy Imbalance Neg. Dev. Outside Band		(115,760)	(64,560)	(51,200)
Total		479,524,700	267,661,300	211,863,400
<u>Industrial Firm Power (IP)</u>				
IP Energy Load		479,278,300	267,661,300	211,617,000
Hourly Take-or-Pay		379,000	254,500	124,500
Daily Take-or-Pay		526,600	389,900	136,700
Monthly Take-or-Pay		12,499,500	6,803,420	5,696,080
Interrupted Load, Longview			(364,000)	
Total Take-or-Pay		13,041,100	7,083,820	5,957,280
Net Dev. Within Band + Daily + Monthly		(4,730,200)	(2,778,880)	(1,951,320)
<u>Energy Imbalance (APS)</u>				
Positive Deviation Within Band		0	0	0
Negative Deviation Within Band		(263,240)	(189,940)	(73,300)
Net Deviation Within Band		(263,240)	(189,940)	(73,300)
Positive Deviation Outside Band		0	0	0
Negative Deviation Outside Band		(115,760)	(64,560)	(51,200)

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	October 2000
Bill ID	30-675-2000-OCT-A0	Period Ending	October 31, 2000

Demand Data, kW	<u>Fed. Sys. Peak</u> 10/30 @ 1900	<u>Coincidental</u> 10/02 @ 1300	<u>POD Peak</u>	
Longview	399,500	423,000	423,000	10/02 @ 1300
Troutdale	1,200	1,600	2,000	10/02 @ 2400
Addy-NW Alloy	20,100	24,800	31,800	10/04 @ 0300
Total Measured	420,800	449,400	456,800	
To Intalco	13,000	13,000	13,000	(scheduled)
To Wenatchee via Chelan	200,000	200,000	200,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

- ¹ Not in BPA Load Control. Load Regulation charges credited back on invoice.
Intalco Aluminum Company entered BPA Load Control on 10/1/00.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-OCT-A1
Issue Date: December 01, 2000
Billing Period: October 2000
Period Ending: October 31, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 12,391,319
Total Amount Calculated For This Bill	\$ 12,391,319
Total Amount Due Through 30- 675-2000-OCT-A0	\$ 12,185,240
Total Adjustment Due	\$ 206,079

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 206,079

Due on or before Dec 21 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2000-OCT-A1
Issue Date: December 01, 2000

Billing Period: October 2000
Period Ending: October 31, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	277,888,000	kWh @	0.022800	6,335,846
IP-96	Energy - LLH	94865	219,772,000	kWh @	0.021340	4,689,934
IP-96	- Dev w/i Band HLH	94865	-4,867,700	kWh @	0.022800	(110,984)
IP-96	- Dev w/i Band LLH	94865	-3,681,700	kWh @	0.021340	(78,567)
IP-96	Load Regulation	94865	488,876,700	kWh @	0.000180	87,998
IP-96	Load Regulation Credit	94865	-158,685,000	kWh @	0.000180	(28,563)
FPS-96	- Dev w/i EI Band HLH	94865	-112,640	kWh @	0.018600	(2,095)
FPS-96	- Dev > EI Band HLH	94865	-47,260	kWh @	0.009300	(440)
FPS-96	- Dev w/i EI Band LLH	94865	-52,740	kWh @	0.017500	(923)
FPS-96	- Dev > EI Band LLH	94865	-22,160	kWh @	0.008700	(193)

Subtotal

11,473,173

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	426,000	kW @	0.405000	172,530
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

918,146

NOTES:

Load Regulation Credit reflects portion of total plant load not in BPA load control area or where load regulation is charged to the plant under a separate contract. Intalco Aluminum plant entered BPA load control on 10/01/2000.

Delivery Charge ratchets established: Longview, 9/00; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	October 2000
Bill ID	30- 675-2000-OCT-A1	Period Ending	October 31, 2000
Energy Data, kwh	Total	HLH	LLH
Hours in Month	745	416	329
Request per Hour	668,000		
Reynolds Total	488,876,700	272,861,300	216,015,400
Longview	312,763,500	174,725,500	138,038,000
Troutdale	975,200	539,600	435,600
Addy-NW Alloy	16,453,000	8,988,200	7,464,800
Intalco	9,685,000	5,408,000	4,277,000
Wenatchee via Chelan ¹	149,000,000	83,200,000	65,800,000
Total	488,876,700	272,861,300	216,015,400
Delivery Outside BPA Load Control	158,685,000		
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	900	900	0
Request	497,660,000	277,888,000	219,772,000
IP Neg. Dev. Within Band	(8,549,400)	(4,867,700)	(3,681,700)
Energy Imbalance Neg. Dev. Within Band	(165,380)	(112,640)	(52,740)
Energy Imbalance Neg. Dev. Outside Band	(69,420)	(47,260)	(22,160)
Total	488,876,700	272,861,300	216,015,400
Industrial Firm Power (IP)			
IP Energy Load	488,876,700	272,861,300	216,015,400
Hourly Take-or-Pay	234,800	159,900	74,900
Daily Take-or-Pay	417,700	310,600	107,100
Monthly Take-or-Pay	3,154,200	1,777,320	1,376,880
Interrupted Load, Longview		(364,000)	
Total Take-or-Pay	3,442,700	1,883,820	1,558,880
Net Dev. Within Band + Daily + Monthly	(4,976,600)	(2,778,880)	(2,197,720)
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	(165,380)	(112,640)	(52,740)
Net Deviation Within Band	(165,380)	(112,640)	(52,740)
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	(69,420)	(47,260)	(22,160)

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	October 2000
Bill ID	30- 675-2000-OCT-A1	Period Ending	October 31, 2000

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	10/30 @ 1900	10/02 @ 1300		
Longview	399,500	423,000	423,000	10/02 @ 1300
Troutdale	1,200	1,600	2,000	10/02 @ 2400
Addy-NW Alloy	20,100	24,800	31,800	10/04 @ 0300
Total Measured	420,800	449,400	456,800	
To Intalco	13,000	13,000	13,000	(scheduled)
To Wenatchee via Chelan	200,000	200,000	200,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Not in BPA Load Control. Load Regulation charges credited back on invoice.
 Intalco Aluminum Company entered BPA Load Control on 10/1/00.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **ESTIMATED**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-SEP-A0
Issue Date: October 10, 2000
Billing Period: September 2000
Period Ending: September 30, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 11,956,713
TOTAL AMOUNT DUE	\$ 11,956,713

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 11,956,713

Due on or before Oct 30 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-2000-SEP-A0
 Issue Date: October 10, 2000

Billing Period: September 2000
 Period Ending: September 30, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000 kW	@	0.870000	581,160
IP-96	Energy - HLH	94865	277,888,000 kWh	@	0.022800	6,335,846
IP-96	Energy - LLH	94865	203,072,000 kWh	@	0.021340	4,333,556
IP-96	- Dev w/i Band HLH	94865	-3,981,500 kWh	@	0.022800	(90,778)
IP-96	- Dev w/i Band LLH	94865	-3,036,100 kWh	@	0.021340	(64,790)
IP-96	Load Regulation	94865	474,740,000 kWh	@	0.000180	85,453
FPS-96	- Dev w/i EI Band HLH	94865	-164,320 kWh	@	0.018600	(3,056)
FPS-96	- Dev > EI Band HLH	94865	-9,993,280 kWh	@	0.009300	(92,938)
FPS-96	- Dev w/i EI Band LLH	94865	-80,160 kWh	@	0.017500	(1,403)
FPS-96	- Dev > EI Band LLH	94865	-4,996,640 kWh	@	0.008700	(43,471)
Subtotal						11,039,579

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000 kW	@	1.000000	668,000
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	168,000 kW	@	0.462000	77,616
Subtotal						917,134

NOTES:

Load Regulation Credit reflects portion of total plant load not in BPA load control area.

Delivery Charge ratchets established: Longview, 9/99; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Michael Boddie, (503) 230-3920.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser Bill ID	Reynolds Metals Company 30- 675-2000-SEP-A0	Billing Period Period Ending	September 2000 September 30, 2000
Energy Data, kwh	Total	HLH	LLH
Hours in Month	720	416	304
Request per Hour	668,000		
Reynolds Total	474,740,000	274,436,900	200,303,100
Longview	303,111,000	175,209,000	127,902,000
Troutdale ¹	1,016,800	602,400	414,400
Addy-NW Alloy	19,412,200	11,265,500	8,146,700
Intalco ²	95,040,000	54,912,000	40,128,000
Wenatchee via Chelan ²	56,160,000	32,448,000	23,712,000
Total	474,740,000	274,436,900	200,303,100
Delivery Outside BPA Load Control	(151,200,000)		
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	0	0	0
Request	480,960,000	277,888,000	203,072,000
IP Neg. Dev. Within Band	(7,017,600)	(3,981,500)	(3,036,100)
Energy Imbalance Neg. Dev. Within Band	(244,480)	(164,320)	(80,160)
Energy Imbalance Neg. Dev. Outside Band	(14,989,920)	(9,993,280)	(4,996,640)
Total	458,708,000	263,748,900	194,959,100
Industrial Firm Power (IP)			
IP Energy Load	474,740,000	274,436,900	200,303,100
Hourly Take-or-Pay	15,234,400	10,157,600	5,076,800
Daily Take-or-Pay	30,460,800	20,307,200	10,153,600
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	45,695,200	30,464,800	15,230,400
Net Dev. Within Band + Daily + Monthly	23,443,200	16,325,700	7,117,500
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	(244,480)	(164,320)	(80,160)
Net Deviation Within Band	(244,480)	(164,320)	(80,160)
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	(14,989,920)	(9,993,280)	(4,996,640)
Demand Data, kW			
	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>
	9/13 @ 1500	09/13 @ 2100	
Longview	417,500	423,500	428,000
Troutdale	160,400	110,400	2,000
Addy-NW Alloy	0	0	0
Total Measured	577,900	533,900	428,000
To Intalco	17,000	17,000	(scheduled)
To Wenatchee via Chelan	68,000	68,000	68,000 (scheduled)
Contract Obligation	668,000		
IP Demand	668,000		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-SEP-A1
Issue Date: October 26, 2000
Billing Period: September 2000
Period Ending: September 30, 2000

PAYMENT SUMMARY

POWER STATEMENT

\$ 11,888,089

Total Amount Calculated For This Bill

\$ 11,888,089

Total Amount Due Through 30- 675-2000-SEP-A0

\$ 11,956,713

Total Due REYNOLDS METALS COMPANY

(\$ 68,624)

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2000-SEP-A1
Issue Date: October 26, 2000

Billing Period: September 2000
Period Ending: September 30, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	277,888,000	kWh @	0.022800	6,335,846
IP-96	Energy - LLH	94865	203,072,000	kWh @	0.021340	4,333,556
IP-96	- Dev w/i Band HLH	94865	-3,447,100	kWh @	0.022800	(78,594)
IP-96	- Dev w/i Band LLH	94865	-2,768,900	kWh @	0.021340	(59,088)
IP-96	Load Regulation	94865	474,740,000	kWh @	0.000180	85,453
IP-96	Load Regulation Credit	94865	-151,200,000	kWh @	0.000180	(27,216)
FPS-96	- Dev w/i EI Band HLH	94865	-4,000	kWh @	0.018600	(74)
IP-96	Prior0008 T/P - HLH	94865	-6,147,000	\$ @	0.019610	(120,543)
IP-96	Prior0008 T/P - LLH	94865	-4,730,040	\$ @	0.017031	(80,557)

Subtotal

10,969,943

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	426,000	kW @	0.405000	172,530
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

918,146

NOTES:

Load Regulation Credit reflects portion of total plant load not in BPA load control area.

Delivery Charge ratchets established: Longview, 9/00; Troutdale, 06/00.

Prior 0008 T/P: Energy outside the energy imbalance band was counted twice on the invoice for August. The amount is credited back to Reynolds Metals.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	September 2000
Bill ID	30- 675-2000-SEP-A1	Period Ending	September 30, 2000
Energy Data, kwh	Total	HLH	LLH
Hours in Month	720	416	304
Request per Hour	668,000		
Reynolds Total	474,740,000	274,436,900	200,303,100
Longview	303,111,000	175,209,000	127,902,000
Troutdale	1,016,800	602,400	414,400
Addy-NW Alloy	19,412,200	11,265,500	8,146,700
Intalco ¹	95,040,000	54,912,000	40,128,000
Wenatchee via Chelan ¹	56,160,000	32,448,000	23,712,000
Total	474,740,000	274,436,900	200,303,100
¹ Delivery Outside BPA Load Control	(151,200,000)		
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	0	0	0
Request	480,960,000	277,888,000	203,072,000
IP Neg. Dev. Within Band	(6,216,000)	(3,447,100)	(2,768,900)
Energy Imbalance Neg. Dev. Within Band	(4,000)	(4,000)	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	474,740,000	274,436,900	200,303,100
Industrial Firm Power (IP)			
IP Energy Load	474,740,000	274,436,800	200,303,100
Hourly Take-or-Pay	4,000	4,000	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	1,406,400	668,220	738,180
Total Take-or-Pay	1,410,400	672,220	738,180
Net Dev. Within Band + Daily + Monthly	(4,809,600)	(2,778,880)	(2,030,720)
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	(4,000)	(4,000)	0
Net Deviation Within Band	(4,000)	(4,000)	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0
Demand Data, kW	Fed. Sys. Peak	Coincidental	POD Peak
	9/13 @ 1500	09/29 @ 0500	
Longview	417,500	426,000	426,000 09/29 @ 0500
Troutdale	1,600	1,600	2,000 09/01 @ 0800
Addy-NW Alloy	31,600	31,700	32,100 09/01 @ 0300
Total Measured	450,700	459,300	460,100
To Intalco	17,000	17,000	17,000 (scheduled)
To Wenatchee via Chelan	68,000	68,000	68,000 (scheduled)
Contract Obligation	668,000		
IP Demand	668,000		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **ESTIMATED**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-AUG-A0
Issue Date: September 05, 2000
Billing Period: August 2000
Period Ending: August 31, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 10,653,366
TOTAL AMOUNT DUE	\$ 10,653,366

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 10,653,366

Due on or before Sep 25 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2000-AUG-A0
Issue Date: September 05, 2000

Billing Period: August 2000
Period Ending: August 31, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	288,576,000	kWh @	0.019610	5,658,975
IP-96	Energy - LLH	94865	207,416,000	kWh @	0.017030	3,532,294
IP-96	- Dev w/i Band HLH	94865	-9,497,100	kWh @	0.019610	(186,238)
IP-96	- Dev w/i Band LLH	94865	-6,916,100	kWh @	0.017030	(117,781)
IP-96	Load Regulation	94865	480,738,300	kWh @	0.000180	86,533
IP-96	Load Regulation Credit	94865	-148,800,000	kWh @	0.000180	(26,784)
IP-96	Take or Pay - HLH	94865	6,539,140	kWh @	0.019610	128,233
IP-96	Take or Pay - LLH	94865	4,744,640	kWh @	0.017030	80,801
FPS-96	- Dev w/i EI Band HLH	94865	-43,720	kWh @	0.016100	(704)
FPS-96	- Dev > EI Band HLH	94865	-3,680	kWh @	0.008000	(29)
FPS-96	- Dev w/i EI Band LLH	94865	-10,020	kWh @	0.013900	(139)
FPS-96	- Dev > EI Band LLH	94865	-12,680	kWh @	0.007000	(89)

Subtotal

9,736,232

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

917,134

NOTES:

Delivery Charge ratchets established: Longview, 9/99; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company		Billing Period	August 2000
Bill ID	30- 675-2000-AUG-A0		Period Ending	August 31, 2000
Energy Data, kwh	Total	HLH	LLH	
Hours in Month	744	432		312
Request per Hour	668,000			
Reynolds Total	480,738,300	279,151,100		201,587,200
Longview	311,991,500	181,198,500		130,793,000
Troutdale ¹	1,291,600	752,800		538,800
Addy-NW Alloy	18,655,200	10,799,800		7,855,400
Intalco ²	98,208,000	57,024,000		41,184,000
Wenatchee via Chelan ²	50,592,000	29,376,000		21,216,000
Total	480,738,300	279,151,100		201,587,200
Delivery Outside BPA Load Control	(148,800,000)			
Unauthorized Increase	0	0		0
Energy Imbalance Pos. Dev. Within Band	0	0		0
IP Pos. Dev. Within Band	0	0		0
Request	496,992,000	288,576,000		208,416,000
IP Neg. Dev. Within Band	(16,413,200)	(9,497,100)		(6,916,100)
Energy Imbalance Neg. Dev. Within Band	(53,740)	(43,720)		(10,020)
Energy Imbalance Neg. Dev. Outside Band	(16,360)	(3,680)		(12,680)
Total	480,508,700	279,031,500		201,477,200
<u>Industrial Firm Power (IP)</u>				
IP Energy Load	480,738,300	279,151,100		201,587,200
Hourly Take-or-Pay	70,100	47,400		22,700
Daily Take-or-Pay	0	0		0
Monthly Take-or-Pay	11,213,680	6,491,740		4,721,940
Total Take-or-Pay	11,283,780	6,539,140		4,744,640
Net Dev. Within Band + Daily + Monthly	(5,199,520)	(3,005,360)		(2,194,160)
<u>Energy Imbalance (APS)</u>				
Positive Deviation Within Band	0	0		0
Negative Deviation Within Band	(53,740)	(43,720)		(10,020)
Net Deviation Within Band	(53,740)	(43,720)		(10,020)
Positive Deviation Outside Band	0	0		0
Negative Deviation Outside Band	(16,360)	(3,680)		(12,680)

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	8/2 @ 1500	08/17 @ 0900		
Longview	421,000	421,000	423,000	08/17 @ 0900
Troutdale	160,400	110,400	111,600	08/01 @ 0700
Addy-NW Alloy	0	0		
Total Measured	581,400	531,400	534,600	
To Intalco	17,000	17,000		(scheduled)
To Wenatchee via Chelan	68,000	68,000	68,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Meter problems at Troutdale resulted in delivery of unmetered power 8/2 to 8/7.

Estimate based on same day, following week is 119,600 kWh in HLH
and 110,000 kWh in LLH for total unmetered of 229,600 kWh.

² Not in BPA Load Control. Load Regulation charges credited back on invoice.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-AUG-A1
Issue Date: September 20, 2000
Billing Period: August 2000
Period Ending: August 31, 2000

PAYMENT SUMMARY

POWER STATEMENT

\$ 10,576,477

Total Amount Calculated For This Bill

\$ 10,576,477

Total Amount Due Through 30- 675-2000-AUG-A0

\$ 10,653,366

Total Due REYNOLDS METALS COMPANY

(\$ 76,889)

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2000-AUG-A1
Issue Date: September 20, 2000

Billing Period: August 2000
Period Ending: August 31, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	288,576,000	kWh @	0.019610	5,658,975
IP-96	Energy - LLH	94865	208,416,000	kWh @	0.017030	3,549,324
IP-96	- Dev w/i Band HLH	94865	-9,349,360	kWh @	0.019610	(183,341)
IP-96	- Dev w/i Band LLH	94865	-6,791,500	kWh @	0.017030	(115,659)
IP-96	Load Regulation	94865	480,738,300	kWh @	0.000180	86,533
IP-96	Load Regulation Credit	94865	-148,800,000	kWh @	0.000180	(26,784)
IP-96	Take or Pay - HLH	94865	6,147,000	kWh @	0.019610	120,543
IP-96	Take or Pay - LLH	94865	4,730,040	kWh @	0.017030	80,553
IP-96	Interrupted Load, LV	31260	-364,000	kWh @	0.250000	(91,000)
FPS-96	- Dev w/i EI Band HLH	94865	-43,720	kWh @	0.016100	(704)
FPS-96	- Dev > EI Band HLH	94865	-3,680	kWh @	0.008000	(29)
FPS-96	- Dev w/i EI Band LLH	94865	-10,020	kWh @	0.013900	(139)
FPS-96	- Dev > EI Band LLH	94865	-12,680	kWh @	0.007000	(89)

Subtotal

9,659,343

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

917,134

NOTES:

Includes unmetered energy delivered to Troutdale between 8/2 @ 0100 and 8/7 @ 0900. Assumed 1780 KW per hour, 119,600 kWh in HLH and 110,000 in LLH.

Load Regulation Credit reflects portion of total plant load not in BPA load control area.

Interrupted Load LV reflects repurchase by BPA of 13 MW over 33 hours during Heavy Load Hours that would have been scheduled to the Longview plant. The amount is treated as delivered in energy sales but not in Load Regulation calculation.

Delivery Charge ratchets established: Longview, 9/99; Troutdale, 06/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company		Billing Period	August 2000
Bill ID	30- 675-2000-AUG-A1		Period Ending	August 31, 2000
Energy Data, kwh	Total	HLH	LLH	
Hours in Month	744	432		312
Request per Hour	668,000			
Reynolds Total	480,781,040	279,179,240		201,601,800
Longview ¹	312,355,500	181,562,500		130,793,000
Troutdale ²	1,291,600	752,800		538,800
Addy-NW Alloy	18,655,200	10,799,800		7,855,400
Intalco ³	98,208,000	57,024,000		41,184,000
Wenatchee via Chelan ³	50,592,000	29,376,000		21,216,000
Total	481,102,300	279,515,100		201,587,200
Delivery Outside BPA Load Control	(148,800,000)			
Unauthorized Increase	0	0		0
Energy Imbalance Pos. Dev. Within Band	0	0		0
IP Pos. Dev. Within Band	0	0		0
Request	496,992,000	288,576,000		208,416,000
IP Neg. Dev. Within Band	(16,140,860)	(9,349,360)		(6,791,500)
Energy Imbalance Neg. Dev. Within Band	(53,740)	(43,720)		(10,020)
Energy Imbalance Neg. Dev. Outside Band	(16,360)	(3,680)		(12,680)
Total	480,781,040	279,179,240		201,601,800
Industrial Firm Power (IP)				
IP Energy Load	480,781,040	279,179,240		201,601,800
Hourly Take-or-Pay	70,100	47,400		22,700
Daily Take-or-Pay	0	0		0
Monthly Take-or-Pay	11,170,940	6,463,600		4,707,340
Interrupted Load, Longview		(364,000)		
Total Take-or-Pay	10,877,040	6,147,000		4,730,040
Net Dev. Within Band + Daily + Monthly	(4,969,920)	(2,885,760)		(2,084,160)
Energy Imbalance (APS)				
Positive Deviation Within Band	0	0		0
Negative Deviation Within Band	(53,740)	(43,720)		(10,020)
Net Deviation Within Band	(53,740)	(43,720)		(10,020)
Positive Deviation Outside Band	0	0		0
Negative Deviation Outside Band	(16,360)	(3,680)		(12,680)

Demand Data, kW	Fed. Sys. Peak	Coincidental	POD Peak	
	8/2 @ 1500	08/17 @ 0900		
Longview	421,000	421,000	423,000	08/17 @ 0900
Troutdale	2,000	1,600	2,000	08/01 @ 0700
Addy-NW Alloy	25,100	29,300	33,000	8/26 @ 1000
Total Measured	448,100	451,900	458,000	
To Intalco	17,000	17,000		(scheduled)
To Wenatchee via Chelan	68,000	68,000	68,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Longview amount reflects 364,000 kWh of interrupted load purchased by BPA during Heavy Load Hours. This will be treated as delivered power resold to BPA.

² Meter problems at Troutdale resulted in delivery of unmetered power 8/2 to 8/7. Estimate based on same day, following week is 119,600 kWh in HLH and 110,000 kWh in LLH for total unmetered of 229,600 kWh.

³ Not In BPA Load Control. Load Regulation charges credited back on invoice.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL ESTIMATED

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-JUL-A0
Issue Date: August 02, 2000
Billing Period: July 2000
Period Ending: July 31, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 7,769,226
TOTAL AMOUNT DUE	\$ 7,769,226

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 7,769,226

Due on or before Aug 22 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-2000-JUL-A0
 Issue Date: August 02, 2000

Billing Period: July 2000
 Period Ending: July 31, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	277,888,000	kWh @	0.013760	3,823,739
IP-96	Energy - LLH	94865	219,104,000	kWh @	0.011990	2,627,057
IP-96	- Dev w/i Band HLH	94865	-10,914,000	kWh @	0.013760	(150,177)
IP-96	- Dev w/i Band LLH	94865	-8,509,500	kWh @	0.011990	(102,029)
IP-96	Load Regulation	94865	475,883,000	kWh @	0.000180	85,659
FPS-96	- Dev w/i EI Band HLH	94865	-303,060	kWh @	0.011300	(3,425)
FPS-96	- Dev > EI Band HLH	94865	-1,013,340	kWh @	0.005600	(5,675)
FPS-96	- Dev w/i EI Band LLH	94865	-190,040	kWh @	0.009800	(1,862)
FPS-96	- Dev > EI Band LLH	94865	-179,060	kWh @	0.004900	(877)

Subtotal

6,853,570

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	164,800	kW @	0.462000	76,138

Subtotal

915,656

NOTES:

Delivery Charge ratchets established: Longview, 9/99; Troutdale, 03/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	July 2000
Bill ID	30- 675-2000-JUL-A0	Period Ending	July 31, 2000

Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	416	328
Request per Hour	668,000		
Longview			
Troutdale			
Reynolds Total	475,883,000	265,657,600	210,225,400
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	0	0	0
Request	496,992,000	277,888,000	219,104,000
IP Neg. Dev. Within Band	(19,423,500)	(10,914,000)	(8,509,500)
Energy Imbalance Neg. Dev. Within Band	(493,100)	(303,060)	(190,040)
Energy Imbalance Neg. Dev. Outside Band	(1,192,400)	(1,013,340)	(179,060)
Total	475,883,000	265,657,600	210,225,400

Industrial Firm Power (IP)

IP Energy Load	475,883,000	265,657,600	210,225,400
Hourly Take-or-Pay	1,685,500	1,316,400	369,100
Daily Take-or-Pay	2,939,300	2,360,400	578,900
Monthly Take-or-Pay	11,514,280	5,774,720	5,739,560
Total Take-or-Pay	16,139,080	9,451,520	6,687,560
Net Dev. Within Band + Daily + Monthly	(4,969,920)	(2,778,880)	(2,191,040)

Energy Imbalance (APS)

Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	(493,100)	(303,060)	(190,040)
Net Deviation Within Band	(493,100)	(303,060)	(190,040)
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	(1,192,400)	(1,013,340)	(179,060)

Demand Data, kW

	Fed. Sys. Peak	Coincidental	POD Peak
	7/7 @ 1500	07/03 @ 0800	
Longview	421,000	421,000	423,000
Troutdale	160,400	110,400	111,600
Addy #1	20,000	20,900	32,800
To Intalco (scheduled)			17,000
To Wenatchee via Chelan (scheduled)			68,000
Contract Obligation	668,000		
IP Demand	668,000		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-JUL-A1
Issue Date: August 31, 2000
Billing Period: July 2000
Period Ending: July 31, 2000

PAYMENT SUMMARY

POWER STATEMENT

\$ 7,751,372

Total Amount Calculated For This Bill

\$ 7,751,372

Total Amount Due Through 30- 675-2000-JUL-A0

\$ 7,769,226

Total Due REYNOLDS METALS COMPANY

(\$ 17,854)

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-2000-JUL-A1
Issue Date: August 31, 2000

Billing Period: July 2000
Period Ending: July 31, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand Reconciliation	00000	668,000	kW @	0.870000	581,160
IP-96	Energy - HLH	94865	277,888,000	kWh @	0.013760	3,823,739
IP-96	Energy - LLH	94865	219,104,000	kWh @	0.011990	2,627,057
IP-96	- Dev w/i Band HLH	94865	-10,914,000	kWh @	0.013760	(150,177)
IP-96	- Dev w/i Band LLH	94865	-8,509,500	kWh @	0.011990	(102,029)
IP-96	Load Regulation	94865	475,883,000	kWh @	0.000180	85,659
IP-96	Load Regulation Credit	94865	-107,400,000	kWh @	0.000180	(19,332)
FPS-96	- Dev w/i EI Band HLH	94865	-303,060	kWh @	0.011300	(3,425)
FPS-96	- Dev > EI Band HLH	94865	-1,013,340	kWh @	0.005600	(5,675)
FPS-96	- Dev w/i EI Band LLH	94865	-190,040	kWh @	0.009800	(1,862)
FPS-96	- Dev > EI Band LLH	94865	-179,060	kWh @	0.004900	(877)

Subtotal

6,834,238

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	668,000	kW @	1.000000	668,000
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	168,000	kW @	0.462000	77,616

Subtotal

917,134

NOTES:

Delivery Charge ratchets established: Longview, 9/99; Troutdale, 03/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company		Billing Period	July 2000
Bill ID	30- 675-2000-JUL-A1		Period Ending	July 31, 2000
Energy Data, kwh	Total	HLH	LLH	
Hours in Month	744	416	328	
Request per Hour	668,000			
Reynolds Total	475,883,000	265,657,600	210,225,400	
Longview	312,327,000	174,789,000	137,538,000	
Troutdale	38,106,000	21,572,800	16,533,200	
Addy-NW Alloy	18,050,000	10,015,800	8,034,200	
Intalco ¹	56,808,000	30,992,000	25,816,000	
Wenatchee via Chelan ¹	50,592,000	28,288,000	22,304,000	
Unauthorized Increase	0	0	0	
Energy Imbalance Pos. Dev. Within Band	0	0	0	
IP Pos. Dev. Within Band	0	0	0	
Request	496,992,000	277,888,000	219,104,000	
IP Neg. Dev. Within Band	(19,423,500)	(10,914,000)	(8,509,500)	
Energy Imbalance Neg. Dev. Within Band	(493,100)	(303,060)	(190,040)	
Energy Imbalance Neg. Dev. Outside Band	(1,192,400)	(1,013,340)	(179,060)	
Total	475,883,000	265,657,600	210,225,400	
Industrial Firm Power (IP)				
IP Energy Load	475,883,000	265,657,600	210,225,400	
Hourly Take-or-Pay	1,685,500	1,316,400	369,100	
Daily Take-or-Pay	2,939,300	2,360,400	578,900	
Monthly Take-or-Pay	11,514,280	5,774,720	5,739,560	
Total Take-or-Pay	16,139,080	9,451,520	6,687,560	
Net Dev. Within Band + Daily + Monthly	(4,969,920)	(2,778,880)	(2,191,040)	
Demand Data, kW	Fed. Sys. Peak	Coincidental	POD Peak	
	7/7 @ 1500	07/03 @ 0800		
Longview	421,000	421,000	423,000	07/01 @ 1800
Troutdale	160,400	110,400	111,600	07/03 @ 1000
Addy-NW Alloy	0	0	32,800	07/30 @ 0300
Total Measured	581,400	531,400	567,400	
To Intalco	17,000	17,000	132,000	(scheduled)
To Wenatchee via Chelan	68,000	68,000	68,000	(scheduled)
Contract Obligation	668,000			
IP Demand	668,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Not in BPA Load Control. Load Regulation charges credited back on invoice.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-JUN-A0
Issue Date: July 05, 2000
Billing Period: June 2000
Period Ending: June 30, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 5,525,423
TOTAL AMOUNT DUE	\$ 5,525,423

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 5,525,423

Due on or before Jul 25 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-2000-JUN-A0
Issue Date: July 05, 2000

Billing Period: June 2000
Period Ending: June 30, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	60,230,000	kWh @	0.004950	298,139
IP-96	Demand	94865	580,700	kW @	0.870000	505,209
IP-96	Energy - HLH	94865	240,336,800	kWh @	0.011190	2,689,369
IP-96	Energy - LLH	94865	175,583,600	kWh @	0.009740	1,710,184
IP-96	Load Regulation	94865	415,920,400	kWh @	0.000180	74,866

Subtotal

5,277,767

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	164,800	kW @	0.462000	76,138

Subtotal

247,656

NOTES:

Delivery Charge ratchets established: Longview, 9/99; Troutdale, 03/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	June 2000
Bill ID	30- 675-2000-JUN-A0	Period Ending	June 30, 2000

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	720	416	304
Request per Hour ¹	668,000		
Longview ²	302,650,000	175,006,000	127,644,000
Troutdale	113,270,400	65,330,800	47,939,600
Total	415,920,400	240,336,800	175,583,600

Industrial Firm Power (IP)

IP Energy Load	415,920,400	240,336,800	175,583,600
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	415,920,400	240,336,800	175,583,600

Curtailment kWh ²	60,230,000
------------------------------	------------

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	6/21 @ 1200	06/14 @ 2400		
Longview	421,500	422,000	423,000	06/02 @ 0300
Troutdale	159,200	168,000	168,000	06/14 @ 2400
Total Measured	580,700	590,000	591,000	
Contract Obligation	668,000			
IP Demand	580,700			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

REVISED FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-JUN-A1
Issue Date: July 06, 2000
Billing Period: June 2000
Period Ending: June 30, 2000

PAYMENT SUMMARY

POWER STATEMENT

\$ 6,115,423

Total Amount Calculated For This Bill

\$ 6,115,423

Total Amount Due Through 30- 675-2000-JUN-A0

\$ 5,525,423

Total Adjustment Due

\$ 590,000

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration

\$ 590,000

PO Box 6040

Portland OR 97228-6040

Due on or before Jul 26 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-2000-JUN-A1
Issue Date: July 06, 2000

Billing Period: June 2000
Period Ending: June 30, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	60,230,000	kWh @	0.004950	298,139
IP-96	Demand	94865	580,700	kW @	0.870000	505,209
IP-96	Energy - HLH	94865	240,336,800	kWh @	0.011190	2,689,369
IP-96	Energy - LLH	94865	175,583,600	kWh @	0.009740	1,710,184
IP-96	Load Regulation	94865	415,920,400	kWh @	0.000180	74,866

Subtotal

5,277,767

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	590,000	kW @	1.000000	590,000
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	164,800	kW @	0.462000	76,138

Subtotal

837,656

NOTES:

Delivery Charge ratchets established: Longview, 9/99; Troutdale, 03/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-APR-A0
Issue Date: May 02, 2000
Billing Period: April 2000
Period Ending: April 30, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 10,093,678
TOTAL AMOUNT DUE	\$ 10,093,678

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 10,093,678

Due on or before May 22 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-2000-APR-A0
Issue Date: May 02, 2000

Billing Period: April 2000
Period Ending: April 30, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	60,125,300	kWh @	0.004950	297,620
IP-96	Demand	94865	582,900	kW @	0.870000	507,123
IP-96	Energy - HLH	94865	231,420,900	kWh @	0.020560	4,758,014
IP-96	Energy - LLH	94865	184,604,200	kWh @	0.019630	3,623,780
IP-96	Load Regulation	94865	416,025,100	kWh @	0.000180	74,885

Subtotal

9,261,422

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	584,600	kW @	1.000000	584,600
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	164,800	kW @	0.462000	76,138

Subtotal

832,256

NOTES:

Delivery Charge ratchets established: Longview, 9/99; Troutdale, 03/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	April 2000
Bill ID	30- 675-2000-APR-A0	Period Ending	April 30, 2000

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	719	400	319
Request per Hour ¹	668,000		
Longview ²	302,068,300	167,896,500	134,171,800
Troutdale	113,956,800	63,524,400	50,432,400
Total	416,025,100	231,420,900	184,604,200

Industrial Firm Power (IP)

IP Energy Load	416,025,100	231,420,900	184,604,200
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	416,025,100	231,420,900	184,604,200

Curtailment kWh ³ 60,125,300

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>
	4/24 @ 1100	04/20 @ 1100	
Longview	422,500	423,000	423,000 04/07 @ 0800
Troutdale	160,400	162,000	163,600 04/04 @ 0600
Total Measured	582,900	585,000	586,600
Contract Obligation	668,000		
IP Demand	576,000		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Loss of metering at Longview on April 1 @ 0100 through 4/5 @ 1100 required estimation. Estimate based on same day, same hour the following week: HLH = 421,000; LLH = 421,100 per hour.

³ Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-MAR-AO
Issue Date: April 04, 2000
Billing Period: March 2000
Period Ending: March 31, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 11,424,031
TOTAL AMOUNT DUE	\$ 11,424,031

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 11,424,031

Due on or before Apr 24 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-2000-MAR-A0
Issue Date: April 04, 2000

Billing Period: March 2000
Period Ending: March 31, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	61,626,980 kWh	@	0.004950	305,054
IP-96	Demand	94865	581,000 kW	@	0.870000	505,470
IP-96	Energy - HLH	94865	250,176,100 kWh	@	0.023150	5,791,577
IP-96	Energy - LLH	94865	180,202,950 kWh	@	0.021710	3,912,206
IP-96	Load Regulation	94865	430,379,050 kWh	@	0.000180	77,468

Subtotal

10,591,775

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	584,600 kW	@	1.000000	584,600
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	164,800 kW	@	0.462000	76,138

Subtotal

832,256

NOTES:

Unmetered service added to following point of delivery due to meter problems: Longview Meter Point 662 03/14 @ 0600 to 1200 2,106,350 kWh

Delivery Charge ratchets established: Longview, 9/99; Troutdale, 03/00.

Questions concerning this Power Statement may be directed to Doug Couch, (503) 230-3312.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	March 2000
Bill ID	30- 675-2000-MAR-A0	Period Ending	March 31, 2000

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	432	312
Request per Hour ¹	668,000		
Longview	311,961,850	181,287,300	130,674,550
Troutdale	118,417,200	68,888,800	49,528,400
Total	430,379,050	250,176,100	180,202,950

Industrial Firm Power (IP)

IP Energy Load	430,379,050	250,176,100	180,202,950
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	430,379,050	250,176,100	180,202,950

Curtailment kWh ² 61,643,030

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	3/08 @ 0800	03/06 @ 0900		
Longview	421,000	423,000	423,000	03/06 @ 0900
Troutdale	160,000	161,600	164,800	03/11 @ 0100
Total Measured	581,000	584,600	587,800	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-FEB-A0
Issue Date: March 02, 2000
Billing Period: February 2000
Period Ending: February 29, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 10,779,580
TOTAL AMOUNT DUE	\$ 10,779,580

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 10,779,580

Due on or before Mar 22 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-2000-FEB-A0
 Issue Date: March 02, 2000

Billing Period: February 2000
 Period Ending: February 29, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	57,039,320	kWh @	0.004950	282,345
IP-96	Demand	94865	581,600	kW @	0.870000	505,992
IP-96	Energy - HLH	94865	231,934,700	kWh @	0.023150	5,369,288
IP-96	Energy - LLH	94865	171,304,700	kWh @	0.021710	3,719,025
IP-96	Load Regulation	94865	403,239,400	kWh @	0.000180	72,583
Subtotal						9,949,233

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	583,800	kW @	1.000000	583,800
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	162,400	kW @	0.462000	75,029
Subtotal						830,347

NOTES:

Delivery Charge ratchets established: Longview, 9/99; Troutdale, 12/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	February 2000
Bill ID	30- 675-2000-FEB-A0	Period Ending	February 29, 2000

Energy Data, kwh	Total	HLH	LLH
Hours in Month	696	400	296
Request per Hour ¹	668,000		
Longview	293,043,000	168,475,500	124,567,500
Troutdale	110,196,400	63,459,200	46,737,200
Total	403,239,400	231,934,700	171,304,700

Industrial Firm Power (IP)

IP Energy Load	403,239,400	231,934,700	171,304,700
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	403,239,400	231,934,700	171,304,700

Curtailment kWh ²

57,039,320

Demand Data, kW	Fed. Sys. Peak 2/17 @ 0800	Coincidental 2/28 @ 1200	POD Peak	
Longview	420,000	423,000	423,000	2/7 @ 1200
Troutdale	161,600	160,800	162,000	2/14 @ 1000
Total Measured	581,600	583,800	585,000	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-2000-JAN-A0
Issue Date: February 01, 2000
Billing Period: January 2000
Period Ending: January 31, 2000

PAYMENT SUMMARY

POWER STATEMENT	\$ 11,420,676
TOTAL AMOUNT DUE	\$ 11,420,676

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 11,420,676

Due on or before Feb 22 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-2000-JAN-A0
Issue Date: February 01, 2000

Billing Period: January 2000
Period Ending: January 31, 2000

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	61,074,280 kWh	@	0.004950	302,318
IP-96	Demand	94865	583,200 kW	@	0.870000	507,384
IP-96	Energy - HLH	94865	241,166,100 kWh	@	0.023150	5,582,995
IP-96	Energy - LLH	94865	189,781,700 kWh	@	0.021710	4,120,161
IP-96	Load Regulation	94865	430,947,800 kWh	@	0.000180	77,571

Subtotal

10,590,429

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	583,700 kW	@	1.000000	583,700
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	162,400 kW	@	0.462000	75,029

Subtotal

830,247

NOTES:

Delivery Charge ratchets established: Longview, 9/99; Troutdale, 12/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	January 2000
Bill ID	30- 675-2000-JAN-A0	Period Ending	January 31, 2000

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	416	328
Request per Hour ¹	668,000		
Longview	313,247,000	175,210,500	138,036,500
Troutdale	117,700,800	65,955,600	51,745,200
Total	430,947,800	241,166,100	189,781,700

Industrial Firm Power (IP)

IP Energy Load	430,947,800	241,166,100	189,781,700
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	430,947,800	241,166,100	189,781,700

Curtailment kWh ² 61,074,280

Demand Data, kW	<u>Fed. Sys. Peak</u> 1/18 @ 0900	<u>Coincidental</u> 1/28 @ 2000	<u>POD Peak</u>	
Longview	422,000	422,500	423,000	1/13 @ 2300
Troutdale	161,200	161,200	161,600	1/4 @ 0900
Total Measured	583,200	583,700	584,600	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-DEC-A0
Issue Date: January 03, 2000
Billing Period: December 1999
Period Ending: December 31, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 11,264,146
TOTAL AMOUNT DUE	\$ 11,264,146

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 11,264,146
Due on or before Jan 24 2000

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1999-DEC-A0
Issue Date: January 03, 2000

Billing Period: December 1999
Period Ending: December 31, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	61,778,280	kWh @	0.004950	305,802
IP-96	Demand	94865	579,600	kW @	0.870000	504,252
IP-96	Energy - HLH	94865	249,998,600	kWh @	0.022800	5,699,968
IP-96	Energy - LLH	94865	180,245,200	kWh @	0.021340	3,846,433
IP-96	Load Regulation	94865	430,243,800	kWh @	0.000180	77,444
Subtotal						10,433,899

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	583,700	kW @	1.000000	583,700
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	162,400	kW @	0.462000	75,029
Subtotal						830,247

NOTES:

Delivery Charge ratchets established: Longview, 1/99; Troutdale, 12/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	December 1999
Bill ID	30- 675-1999-DEC-A0	Period Ending	December 31, 1999

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	432	312
Request per Hour ¹	668,000		
Longview	312,723,000	181,629,000	131,094,000
Troutdale	117,520,800	68,369,600	49,151,200
Total	430,243,800	249,998,600	180,245,200

Industrial Firm Power (IP)

IP Energy Load	430,243,800	249,998,600	180,245,200
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	430,243,800	249,998,600	180,245,200

Curtailment kWh ² 61,778,280

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	12/19 @ 1800	12/29 @ 0900		
Longview	422,000	422,500	423,000	12/4 @ 1800
Troutdale	157,600	161,200	162,400	12/31 @ 1000
Total Measured	579,600	583,700	585,400	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-NOV-A0
Issue Date: December 02, 1999
Billing Period: November 1999
Period Ending: November 30, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 10,911,248
TOTAL AMOUNT DUE	\$ 10,911,248

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration

PO Box 6040
Portland OR 97228-6040

\$ 10,911,248

Due on or before Dec 22 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-1999-NOV-A0
 Issue Date: December 02, 1999

Billing Period: November 1999
 Period Ending: November 30, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	61,277,500	kWh @	0.004950	303,324
IP-96	Demand	94865	576,000	kW @	0.870000	501,120
IP-96	Energy - HLH	94865	239,895,700	kWh @	0.022800	5,469,622
IP-96	Energy - LLH	94865	174,977,200	kWh @	0.021340	3,734,013
IP-96	Load Regulation	94865	414,872,900	kWh @	0.000180	74,677
Subtotal						10,082,756

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	582,500	kW @	1.000000	582,500
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200	kW @	0.462000	74,474
Subtotal						828,492

NOTES:

Delivery Charge ratchets established: Longview, 1/99; Troutdale, 11/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

P-Attachment 1

Purchaser Bill ID	Reynolds Metals Company 30- 675-1999-NOV-A0	Billing Period Period Ending	November 1999 November 30, 1999
Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	720	416	304
Request per Hour ¹	668,000		
Longview	302,134,500	174,806,500	127,528,000
Troutdale	112,738,400	65,289,200	47,449,200
Total	414,872,900	239,895,700	174,977,200
<u>Industrial Firm Power (IP)</u>			
IP Energy Load	414,872,900	239,895,700	174,977,200
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	414,872,900	239,895,700	174,977,200
Curtailment kWh ²	61,277,500		

Demand Data, kW	<u>Fed. Sys. Peak</u> 11/29 @ 0800	<u>Coincidental</u> 11/11 @ 0900	<u>POD Peak</u>	
Longview	416,000	422,500	423,000	11/12 @ 1300
Troutdale	158,000	160,000	161,200	11/24 @ 0900
Total Measured	574,000	582,500	584,200	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-OCT-A0
Issue Date: November 02, 1999
Billing Period: October 1999
Period Ending: October 31, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 10,638,236
TOTAL AMOUNT DUE	\$ 10,638,236

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 10,638,236

Due on or before Nov 22 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1999-OCT-A0
Issue Date: November 02, 1999

Billing Period: October 1999
Period Ending: October 31, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	64,268,200 kWh	@	0.004950	318,128
IP-96	Demand	94865	580,300 kW	@	0.870000	504,861
IP-96	Energy - HLH	94865	239,561,500 kWh	@	0.022800	5,462,002
IP-96	Energy - LLH	94865	188,853,700 kWh	@	0.021340	4,030,138
IP-96	Load Regulation	94865	428,415,200 kWh	@	0.000180	77,115

Subtotal

10,392,244

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200 kW	@	0.462000	74,474

Subtotal

245,992

NOTES:

Delivery Charge ratchets established: Longview, 1/99; Troutdale, 1/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	October 1999
Bill ID	30- 675-1999-OCT-A0	Period Ending	October 31, 1999

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	745	416	329
Request per Hour ¹	668,000		
Longview	312,814,000	174,791,500	138,022,500
Troutdale	115,801,200	64,770,000	50,831,200
Total	428,415,200	239,561,500	188,853,700

Industrial Firm Power (IP)

IP Energy Load	428,415,200	239,561,500	188,853,700
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	428,415,200	239,561,500	188,853,700

Curtailment kWh ² 64,268,200

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>
	10/28 @ 0800	10/27 @ 1100	
Longview	421,500	422,000	422,500 10/03 @ 1200
Troutdale	158,800	159,200	160,000 10/28 @ 1100
Total Measured	580,300	581,200	582,500
Contract Obligation	668,000		
IP Demand	576,000		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

REVISED FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-OCT-A1
Issue Date: November 03, 1999
Billing Period: October 1999
Period Ending: October 31, 1999

PAYMENT SUMMARY

POWER STATEMENT

\$ 11,219,436

Total Amount Calculated For This Bill

\$ 11,219,436

Total Amount Due Through 30- 675-1999-OCT-A0

0

Total Adjustment Due

\$ 11,219,436

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration

\$ 11,219,436

PO Box 6040

Due on or before Nov 23 1999

Portland OR 97228-6040

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-1999-OCT-A1
 Issue Date: November 03, 1999

Billing Period: October 1999
 Period Ending: October 31, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	64,268,200 kWh	@	0.004950	318,128
IP-96	Demand	94865	580,300 kW	@	0.870000	504,861
IP-96	Energy - HLH	94865	239,561,500 kWh	@	0.022800	5,462,002
IP-96	Energy - LLH	94865	188,853,700 kWh	@	0.021340	4,030,138
IP-96	Load Regulation	94865	428,415,200 kWh	@	0.000180	77,115
Subtotal						10,392,244

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	581,200 kW	@	1.000000	581,200
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200 kW	@	0.462000	74,474
Subtotal						827,192

NOTES:

Please disregard the charges and payment instructions on Bill number 30-675-1999-OCT-A0 and submit payment per instructions on this Bill number 30-675-1999-OCT-A1.

Delivery Charge ratchets established: Longview, 1/99; Troutdale, 1/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	October 1999
Bill ID	30- 675-1999-OCT-A1	Period Ending	October 31, 1999

Energy Data, kwh	Total	HLH	LLH
Hours in Month	745	416	329
Request per Hour ¹	668,000		
Longview	312,814,000	174,791,500	138,022,500
Troutdale	115,601,200	64,770,000	50,831,200
Total	428,415,200	239,561,500	188,853,700

Industrial Firm Power (IP)

IP Energy Load	428,415,200	239,561,500	188,853,700
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	428,415,200	239,561,500	188,853,700

Curtailment kWh ²	64,268,200
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Demand Data, kW	Fed. Sys. Peak 10/28 @ 0800	Coincidental 10/27 @ 1100	POD Peak	
Longview	421,500	422,000	422,500	10/03 @ 1200
Troutdale	158,800	159,200	160,000	10/28 @ 1100
Total Measured	580,300	581,200	582,500	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-SEP-A0
Issue Date: October 01, 1999
Billing Period: September 1999
Period Ending: September 30, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 10,878,276
TOTAL AMOUNT DUE	\$ 10,878,276

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 10,878,276

Due on or before Oct 21 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1999-SEP-A0
Issue Date: October 01, 1999

Billing Period: September 1999
Period Ending: September 30, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	63,201,000	kWh @	0.004950	312,845
IP-96	Demand	94865	578,900	kW @	0.870000	503,643
IP-96	Energy - HLH	94865	238,647,300	kWh @	0.022800	5,441,158
IP-96	Energy - LLH	94865	174,302,100	kWh @	0.021340	3,719,607
IP-96	Load Regulation	94865	412,949,400	kWh @	0.000180	74,331
Subtotal						10,051,584

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	580,700	kW @	1.000000	580,700
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200	kW @	0.462000	74,474
Subtotal						826,692

NOTES:

Delivery Charge ratchets established: Longview, 1/99; Troutdale, 1/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	September 1999
Bill ID	30- 675-1999-SEP-A0	Period Ending	September 30, 1999

Energy Data, kwh	Total	HLH	LLH
Hours in Month	720	416	304
Request per Hour ¹	668,000		
Longview	301,385,000	174,014,500	127,370,500
Troutdale	111,564,400	64,632,800	46,931,600
Total	412,949,400	238,647,300	174,302,100

Industrial Firm Power (IP)

IP Energy Load	412,949,400	238,647,300	174,302,100
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	412,949,400	238,647,300	174,302,100

Curtailment kWh ² 63,201,000

Demand Data, kW	Fed. Sys. Peak 9/2 @ 0900	Coincidental 9/23 @ 1100	POD Peak	
Longview	422,500	423,500	423,500	9/23 @ 1100
Troutdale	156,400	157,200	158,000	9/1 @ 1000
Total Measured	578,900	580,700	581,500	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-AUG-A0
Issue Date: September 02, 1999
Billing Period: August 1999
Period Ending: August 31, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 9,615,067
TOTAL AMOUNT DUE	\$ 9,615,067

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 9,615,067

Due on or before Sep 22 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1999-AUG-A0
Issue Date: September 02, 1999

Billing Period: August 1999
Period Ending: August 31, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	64,915,780 kWh	@	0.004950	321,333
IP-96	Demand	94865	576,000 kW	@	0.870000	501,120
IP-96	Energy - HLH	94865	238,923,600 kWh	@	0.019610	4,685,292
IP-96	Energy - LLH	94865	188,182,700 kWh	@	0.017030	3,204,751
IP-96	Load Regulation	94865	427,106,300 kWh	@	0.000180	76,879
Subtotal						8,789,375

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	579,700 kW	@	1.000000	579,700
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200 kW	@	0.462000	74,474
Subtotal						825,692

NOTES:

We continue to experience data discrepancies in our billing systems. Should your August data change, the Revenue Analyst responsible for producing your bill will contact you.

Delivery Charge ratchets established: Longview, 1/99; Troutdale, 1/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	August 1999
Bill ID	30- 675-1999-AUG-A0	Period Ending	August 31, 1999

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	416	328
Request per Hour ¹	668,000		
Longview	312,023,500	174,524,000	137,499,500
Troutdale	115,082,800	64,399,600	50,683,200
Total	427,106,300	238,923,600	188,182,700

Industrial Firm Power (IP)

IP Energy Load	427,106,300	238,923,600	188,182,700
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	427,106,300	238,923,600	188,182,700

Curtailment kWh ² 64,915,780

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	8/27 @ 1500	8/30 @ 1100		
Longview	419,000	422,500	422,500	8/13 @ 0800
Troutdale	154,400	157,200	159,200	8/2 @ 1000
Total Measured	573,400	579,700	581,700	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-JUL-A0
Issue Date: August 02, 1999
Billing Period: July 1999
Period Ending: July 31, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 7,283,039
TOTAL AMOUNT DUE	\$ 7,283,039

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 7,283,039

Due on or before Aug 23 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-1999-JUL-A0
Issue Date: August 02, 1999

Billing Period: July 1999
Period Ending: July 31, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	65,197,180 kWh	@	0.004950	322,726
IP-96	Demand	94865	576,000 kW	@	0.870000	501,120
IP-96	Energy - HLH	94865	247,876,800 kWh	@	0.013760	3,410,785
IP-96	Energy - LLH	94865	178,948,100 kWh	@	0.011990	2,145,588
IP-96	Load Regulation	94865	426,824,900 kWh	@	0.000180	76,828
Subtotal						6,457,047

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	580,000 kW	@	1.000000	580,000
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200 kW	@	0.462000	74,474
Subtotal						825,992

NOTES:

We continue to experience data discrepancies in our billing systems. Should your July data change, the Revenue Analyst responsible for producing your bill will contact you.

Delivery Charge ratchets established: Longview, 1/99; Troutdale, 1/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	July 1999
Bill ID	30- 675-1999-JUL-A0	Period Ending	July 31, 1999

Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	432	312
Request per Hour ¹	668,000		
Longview	311,580,500	180,866,000	130,714,500
Troutdale	115,244,400	67,010,800	48,233,600
Total	426,824,900	247,876,800	178,948,100

Industrial Firm Power (IP)

IP Energy Load	426,824,900	247,876,800	178,948,100
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	426,824,900	247,876,800	178,948,100

Curtailment kWh ² 65,197,180

Demand Data, kW	Fed. Sys. Peak 7/15 @ 1600	Coincidental 7/16 @ 1200	POD Peak
Longview	420,000	422,000	422,500
Troutdale	153,600	158,000	158,800
Total Measured	573,600	580,000	581,300
Contract Obligation	668,000		
IP Demand	576,000		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	
			7/4 @ 2400 7/30 @ 1000

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-JUN-A0
Issue Date: July 02, 1999
Billing Period: June 1999
Period Ending: June 30, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 6,085,223
TOTAL AMOUNT DUE	\$ 6,085,223

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 6,085,223

Due on or before Jul 22 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30-675-1999-JUN-A0
Issue Date: July 02, 1999

Billing Period: June 1999
Period Ending: June 30, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	63,618,600 kWh	@	0.004950	314,912
IP-96	Demand	94865	576,000 kW	@	0.870000	501,120
IP-96	Energy - HLH	94865	238,278,200 kWh	@	0.011190	2,666,333
IP-96	Energy - LLH	94865	174,253,600 kWh	@	0.009740	1,697,230
IP-96	Load Regulation	94865	412,531,800 kWh	@	0.000180	74,256
IP-96	Prior 9905 Curtailment	94865	18 \$	@	1.000000	18
IP-96	Prior 9905 Energy - HLH	94865	-21 \$	@	1.000000	(21)
IP-96	Prior 9905 Energy - LLH	94865	-17 \$	@	1.000000	(17)

Subtotal

5,253,831

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Base Charge	94865	579,100 kW	@	1.000000	579,100
PTP-96	Prior 9905 Base Charge	94865	6,300 kW	@	1.000000	6,300
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200 kW	@	0.462000	74,474

Subtotal

831,392

NOTES:

An error to hourly meter readings was detected for April, 1999 which resulted in a slight change to the hourly meter readings. Prior Adjustment applied to correct the error. P-Attachment 2 reflects the revised April data.

Prior Adjustment applied to current bill to correct Tx base charge billed for April, 1999. The correct Tx base charge demand should have been 579,800 Kw.

Delivery Charge ratchets established: Longview, 1/99; Troutdale, 1/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	June 1999
Bill ID	30- 675-1999-JUN-A0	Period Ending	June 30, 1999

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	720	416	304
Request per Hour ¹	668,000		
Longview	301,555,000	174,019,000	127,536,000
Troutdale	110,976,800	64,259,200	46,717,600
Total	412,531,800	238,278,200	174,253,600

Industrial Firm Power (IP)

IP Energy Load	412,531,800	238,278,200	174,253,600
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	412,531,800	238,278,200	174,253,600

Curtailment kWh² 63,618,600

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	6/24 @ 1200	6/7 @ 1100		
Longview	410,500	421,500	422,500	6/2 @ 1800
Troutdale	156,400	157,600	158,400	6/1 @ 0900
Total Measured	566,900	579,100	580,900	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	May 1999
Bill ID	30- 675-1999-MAY-A0	Period Ending	May 31, 1999

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	416	328
Request per Hour ¹	619,000		
Longview	313,324,500	175,106,000	138,218,500
Troutdale	114,482,000	64,074,800	50,387,200
Total	427,786,500	239,180,800	188,605,700

Industrial Firm Power (IP)

IP Energy Load	427,786,500	239,180,800	188,605,700
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	427,786,500	239,180,800	188,605,700

Curtailment kWh ² 64,235,580

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	5/31 @ 1200	5/11 @ 1000		
Longview	420,000	423,000	423,000	5/5 @ 2100
Troutdale	153,600	156,800	158,000	5/14 @ 1000
Total Measured	573,600	579,800	581,000	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-MAY-A0
Issue Date: June 02, 1999
Billing Period: May 1999
Period Ending: May 31, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 6,229,053
TOTAL AMOUNT DUE	\$ 6,229,053

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 6,229,053

Due on or before Jun 22 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1999-MAY-A0
Issue Date: June 02, 1999

Billing Period: May 1999
Period Ending: May 31, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	64,231,880 kWh	@	0.004950	317,948
IP-96	Demand	94865	576,000 kW	@	0.870000	501,120
IP-96	Energy - HLH	94865	239,182,700 kWh	@	0.011190	2,676,454
IP-96	Energy - LLH	94865	188,607,500 kWh	@	0.009740	1,837,037
IP-96	Load Regulation	94865	427,790,200 kWh	@	0.000180	77,002
Subtotal						5,409,561

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost- Monthly	94865	573,500 kW	@	1.000000	573,500
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200 kW	@	0.462000	74,474
Subtotal						819,492

NOTES:

Delivery Charge ratchets established: Longview, 1/99; Troutdale, 1/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	May 1999
Bill ID	30- 675-1999-MAY-A0	Period Ending	May 31, 1999

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	416	328
Request per Hour ¹	619,000		
Longview	313,327,000	175,109,500	138,217,500
Troutdale	114,463,200	64,073,200	50,390,000
Total	427,790,200	239,182,700	188,607,500

Industrial Firm Power (IP)

IP Energy Load	427,790,200	239,182,700	188,607,500
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	427,790,200	239,182,700	188,607,500

Curtailment kWh ²

64,231,880

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	5/31 @ 1200	5/11 @ 1000		
Longview	420,000	423,000	423,000	5/5 @ 2100
Troutdale	153,600	158,800	158,000	5/14 @ 1000
Total Measured	573,600	579,800	581,000	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-APR-A0
Issue Date: May 03, 1999
Billing Period: April 1999
Period Ending: April 30, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 10,041,348
TOTAL AMOUNT DUE	\$ 10,041,348

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 10,041,348

Due on or before May 24 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-1999-APR-A0
Issue Date: May 03, 1999

Billing Period: April 1999
Period Ending: April 30, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	61,822,280 kWh	@	0.004950	306,020
IP-96	Demand	94865	578,100 kW	@	0.870000	502,947
IP-96	Energy - HLH	94865	239,529,400 kWh	@	0.020560	4,924,724
IP-96	Energy - LLH	94865	174,137,400 kWh	@	0.019630	3,418,317
IP-96	Load Regulation	94865	413,666,800 kWh	@	0.000180	74,460
IP-96	Prior 9806 Energy - HLH	94865	- 149,600 kWh	@	0.011190	(1,674)
IP-96	Prior 9806 Energy - LLH	94865	- 134,600 kWh	@	0.009740	(1,311)
IP-96	Prior 9806 Curtailment	94865	284,222 kWh	@	0.004950	1,407
IP-96	Prior 9807 Energy - HLH	94865	- 699,900 kWh	@	0.013760	(9,631)
IP-96	Prior 9807 Energy - LLH	94865	- 208,500 kWh	@	0.011990	(2,500)
IP-96	Prior 9807 Curtailment	94865	908,400 kWh	@	0.004950	4,497

Subtotal

9,217,256

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost- Monthly	94865	578,100 kW	@	1.000000	578,100
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200 kW	@	0.462000	74,474

Subtotal

824,092

NOTES:

Prior adjustments applied for June and July, 1999, on the current bill for curtailment principles agreed to after the said bills were issued.

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 1/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	April 1999
Bill ID	30- 675-1999-APR-A0	Period Ending	April 30, 1999

Energy Data, kwh	Total	HLH	LLH
Hours in Month	719	416	303
Request per Hour ¹	668,000		
Longview	302,932,000	175,333,000	127,599,000
Troutdale	110,734,800	64,196,400	46,538,400
Total	413,666,800	239,529,400	174,137,400

Industrial Firm Power (IP)

IP Energy Load	413,666,800	239,529,400	174,137,400
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	413,666,800	239,529,400	174,137,400

Curtailment kWh ² 61,822,280

Demand Data, kW	Fed. Sys. Peak 4/1 @ 0700	Coincidental 4/26 @ 1100	POD Peak	
Longview	422,500	422,500	423,000	4/1 @ 2400
Troutdale	155,600	157,600	158,000	4/5 @ 0900
Total Measured	578,100	580,100	581,000	
Contract Obligation	668,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 668 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (661,320) they incur curtailment charges.

Curtailment level calculation - $1\%(668,000)=6,680$ $668,000 - 6,680 = 661,320$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-MAR-A0
Issue Date: April 02, 1999
Billing Period: March 1999
Period Ending: March 31, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 11,220,617
TOTAL AMOUNT DUE	\$ 11,220,617

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 11,220,617

Due on or before Apr 22 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1999-MAR-A0
Issue Date: April 02, 1999

Billing Period: March 1999
Period Ending: March 31, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	26,423,140	kWh @	0.004950	130,795
IP-96	Demand	94865	580,600	kW @	0.870000	505,122
IP-96	Energy - HLH	94865	249,505,900	kWh @	0.023150	5,776,062
IP-96	Energy - LLH	94865	180,001,600	kWh @	0.021710	3,907,835
IP-96	Load Regulation	94865	429,507,500	kWh @	0.000180	77,311

Subtotal

10,397,125

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost- Monthly	94865	577,500	kW @	1.000000	577,500
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200	kW @	0.462000	74,474

Subtotal

823,492

NOTES:

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 1/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	March 1999
Bill ID	30- 675-1999-MAR-A0	Period Ending	March 31, 1999

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	432	312
Request per Hour ¹	619,000		
Longview	313,885,506	182,215,500	131,670,006
Troutdale	115,622,000	67,290,400	48,331,600
Total	429,507,506	249,505,900	180,001,606

Industrial Firm Power (IP)

IP Energy Load	429,507,506	249,505,900	180,001,606
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	429,507,506	249,505,900	180,001,606

Curtailment kWh ² 26,423,140

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	3/5 @ 0800	3/1 @ 1000		
Longview	423,000	423,000	423,000	3/1 @ 0800
Troutdale	157,600	159,600	159,600	3/1 @ 0900
Total Measured	580,600	582,600	582,600	
Contract Obligation	619,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 619 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (612,810) they incur curtailment charges.

Curtailment level calculation - $1\%(619,000)=6,190$ $619,000 - 6,190 = 612,810$

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-FEB-A0
Issue Date: March 02, 1999
Billing Period: February 1999
Period Ending: February 28, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 10,265,194
TOTAL AMOUNT DUE	\$ 10,265,194

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 10,265,194

Due on or before Mar 22 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: **30- 675-1999-FEB-A0**
Issue Date: **March 02, 1999**

Billing Period: **February 1999**
Period Ending: **February 28, 1999**

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	23,756,720 kWh	@	0.004950	117,596
IP-96	Demand Reconciliation		580,100 kW	@	0.870000	504,687
IP-96	Energy - HLH	94865	221,923,100 kWh	@	0.023150	5,137,520
IP-96	Energy - LLH	94865	166,128,500 kWh	@	0.021710	3,606,650
IP-96	Load Regulation	94865	388,051,600 kWh	@	0.000180	69,849

Subtotal

9,436,302

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost- Monthly	94865	582,900 kW	@	1.000000	582,900
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200 kW	@	0.462000	74,474

Subtotal

828,892

NOTES:

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 1/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	February 1999
Bill ID	30- 675-1999-FEB-A0	Period Ending	February 28, 1999

Energy Data, kwh	Total	HLH	LLH
Hours In Month	672	384	288
Request per Hour ¹	619,000		
Longview	282,908,000	161,715,500	121,192,500
Troutdale	105,143,600	60,207,600	44,936,000
Total	388,051,600	221,923,100	166,128,500

Industrial Firm Power (IP)

IP Energy Load	388,051,600	221,923,100	166,128,500
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	388,051,600	221,923,100	166,128,500

Curtailment kWh ² 23,756,720

Demand Data, kW	Fed. Sys. Peak 2/26 @ 0800	Coincidental 2/10 @ 1000	POD Peak
Longview	422,500	422,500	423,500
Troutdale	157,600	160,400	160,400
Total Measured	580,100	582,900	583,900
Contract Obligation	619,000		
IP Demand	576,000		
EI Within Band	0		
Unauth. Inc. Gen./Trans. .	0	0	

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 619 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (612,810) they incur curtailment charges.

Curtailment level calculation - $1\%(619,000)=6,190$ $619,000 - 6,190 = 612,810$

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1999-JAN-A0
Issue Date: February 02, 1999
Billing Period: January 1999
Period Ending: January 31, 1999

PAYMENT SUMMARY

POWER STATEMENT	\$ 11,223,869
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 11,223,881

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 11,223,881

Due on or before Feb 22 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1999-JAN-AO
Issue Date: February 02, 1999

Billing Period: January 1999
Period Ending: January 31, 1999

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	25,735,440	kWh @	0.004950	127,390
IP-96	Demand	94865	580,100	kW @	0.870000	504,687
IP-96	Energy - HLH	94865	240,713,200	kWh @	0.023150	5,572,511
IP-96	Energy - LLH	94865	189,482,000	kWh @	0.021710	4,113,654
IP-96	Load Regulation	94865	430,195,200	kWh @	0.000180	77,435

Subtotal

10,395,677

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost- Monthly	94865	582,200	kW @	1.000000	582,200
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	161,200	kW @	0.462000	74,474

Subtotal

828,192

NOTES:

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 1/99.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
 WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	January 1999
Bill ID	30- 675-1999-JAN-A0	Period Ending	January 31, 1999

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	416	328
Request per Hour ¹	619,000		
Longview	313,256,000	175,186,000	138,070,000
Troutdale	116,939,200	65,527,200	51,412,000
Total	430,195,200	240,713,200	189,482,000

Industrial Firm Power (IP)

IP Energy Load	430,195,200	240,713,200	189,482,000
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	430,195,200	240,713,200	189,482,000

Curtailment kWh ² 25,735,440

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	1/26 @ 0800	1/15 @ 0900		
Longview	422,500	421,000	423,500	1/22 @ 1800
Troutdale	157,600	161,200	161,200	1/15 @ 0900
Total Measured	580,100	582,200	584,700	
Contract Obligation	619,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 619 MW take-or-pay obligation is waived due to curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (612,810) they incur curtailment charges.

Curtailment level calculation - $1\%(619,000)=6,190$ $619,000 - 6,190 = 612,810$

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1998-DEC-A0
Issue Date: January 08, 1999
Billing Period: December 1998
Period Ending: December 31, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 11,022,963
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 11,022,975

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 11,022,975

Due on or before Jan 28 1999

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY

Bill ID: 30- 675-1998-DEC-A0

Issue Date: January 08, 1999

Billing Period: December 1998

Period Ending: December 31, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	28,806,500	kWh @	0.004950	142,592
IP-96	Demand	94865	576,000	kW @	0.870000	501,120
IP-96	Energy - HLH	94865	248,004,620	kWh @	0.022800	5,654,505
IP-96	Energy - LLH	94865	179,119,520	kWh @	0.021340	3,822,411
IP-96	Load Regulation	94865	427,124,140	kWh @	0.000180	76,882

Subtotal

10,197,510

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost- Monthly	94865	580,200	kW @	1.000000	580,200
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	159,600	kW @	0.462000	73,735

Subtotal

825,453

NOTES:

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 12/98.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	December 1998
Bill ID	30- 675-1998-DEC-A0	Period Ending	December 31, 1998

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	432	312
Request per Hour ¹	619,000		
Longview ²	311,376,540	180,677,020	130,699,520
Troutdale	115,747,600	67,327,600	48,420,000
Total	427,124,140	248,004,620	179,119,520

Industrial Firm Power (IP)

IP Energy Load	427,124,140	248,004,620	179,119,520
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	427,124,140	248,004,620	179,119,520

Curtailment kWh ³ 28,806,500

Demand Data, kW	<u>Fed. Sys. Peak</u> 12/21 @ 1900	<u>Coincidental</u> 12/23 @ 1000	<u>POD Peak</u>	
Longview	416,000	421,000	421,000	12/1 @ 2300
Troutdale	156,800	159,200	159,600	12/28 @ 0800
Total Measured	572,800	580,200	580,600	
Contract Obligation	619,000			
IP Demand	576,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 576,000 or company's measured demand on the federal system peak. Reynolds 619 MW take-or-pay obligation is waived due to curtailment.

² Unmetered energy applied to Longview starting 12/7 @1100 thru 12/10 @1100.

Unmetered energy based on like load days and hours. Metered energy + unmetered energy is as follows:

HLH - 160,382,000 + 20,295,020(unmetered) = 180,677,020 kWh

LLH - 120,656,000 + 10,043,520(unmetered) = 130,699,520 kWh

³ Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (612,810) they incur curtailment charges.

Curtailment level calculation - 1%(619,000)=6,190 619,000 - 6,190 = 612,810

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1998-NOV-A0
Issue Date: December 02, 1998
Billing Period: November 1998
Period Ending: November 30, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 10,564,562
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 10,564,574

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration

PO Box 6040
Portland OR 97228-6040

\$ 10,564,574

Due on or before Dec 22 1998

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-1998-NOV-A0
 Issue Date: December 02, 1998

Billing Period: November 1998
 Period Ending: November 30, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Prior 9810 Energy - HLH	94865	- 233,800	kWh @	0.022800	(5,331)
IP-96	Prior 9810 Energy - LLH	94865	- 301,700	kWh @	0.021340	(6,438)
IP-96	Fixed Curtailment Fee	94865	23,262,700	kWh @	0.004950	115,150
IP-96	Demand	94865	575,400	kW @	0.870000	500,598
IP-96	Energy - HLH	94865	228,081,000	kWh @	0.022800	5,200,247
IP-96	Energy - LLH	94865	182,038,700	kWh @	0.021340	3,884,706
IP-96	Load Regulation	94865	410,119,700	kWh @	0.000180	73,822
	Prior 9810 Curtailment	94865	19,100	kWh @	0.004950	95

Subtotal

9,762,849

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
	Prior 9810 Delivery Adj	94865	-1 Mo	@	18931	(18,931)
PTP-96	Embedded Cost- Monthly	94865	576,500	kW @	1.000000	576,500
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.405000	171,518
PTP-96	Del. Charge Troutdale	94865	157,200	kW @	0.462000	72,626

Subtotal

801,713

NOTES:

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 11/98.

For adjustment calculations, please see P-Attachment 2.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	November 1998
Bill ID	30- 675-1998-NOV-A0	Period Ending	November 30, 1998

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	720	400	320
Request per Hour ¹	619,000		
Longview	301,308,500	167,451,000	133,857,500
Troutdale	108,811,200	60,630,000	48,181,200
Total	410,119,700	228,081,000	182,038,700

Industrial Firm Power (IP)

IP Energy Load	410,119,700	228,081,000	182,038,700
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	410,119,700	228,081,000	182,038,700

Curtailment kWh ² 23,262,700

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>
	11/19 @ 0800	11/23 @ 1000	
Longview	421,000	420,500	421,000 11/7 @ 1200
Troutdale	154,400	156,000	157,200 11/30 @ 0900
Total Measured	575,400	576,500	578,200
Contract Obligation	619,000		
IP Demand	566,000		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 566,000 or company's measured demand on the federal system peak. Reynolds 619 MW take-or-pay obligation is waived due to force majeure and curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (601,920) they incur curtailment charges.

Curtailment level calculation - $1\%(608,000)=6,080$ $608,000 - 6,080 = 601,920$

Adjustment for Curtailment and Take or pay charges for October 1998 Bill

It was determined that Curtailment and force majeure should be applied in a different manner than it was for the October 1998 Bill. For the October bill, Reynolds was charged a fixed amount of curtailment, the amount between 612,810 and 577,000. They were also subject to take or pay charges on energy levels below 565,000 kWh. After reviewing contract provisions, It was decided that curtailment should be a variable amount eliminating the possibility of take or pay charges. Therefore for October, Reynold should incur no take or pay charges, Curtailment will be assessed on any energy levels below 600,930.

	Billed			Should have Billed	Amount Due Customer
Take or Pay Charges	HLH kWh	Total			
HLH	233,800 @	0.0228 5331		0	5,331
LLH	301,700 @	0.02134 6438		0	6,438
					<u>\$11,769</u>

			Difference	Amount Due BPA	
Curtailment	26,678,450 kWh	26,697,550 kWh	19,100	19,100 @ .00495	\$ 95.00

Adjustment for Utility Delivery Charges

Rates changed effective October 1,1998

	Billed			Should Have Billed		Amount Due Customer
	kW	Total				
Longview	423,500 @ .462	195,657	423,500 @	0.405	171,518	24,139
Troutdale	153,200 @ .428	65,570	153,200 @	0.462	70,778	-5,208
						<u>\$ 18,931</u>

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

FINAL

REYNOLDS METALS COMPANY

C R THORNTON

PO BOX 999

LONGVIEW WA 98632-0086

Bill ID: 30- 675-1998-OCT-A0

Issue Date: November 03, 1998

Billing Period: October 1998

Period Ending: October 31, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 10,883,755
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 10,883,767

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration

PO Box 6040

Portland OR 97228-6040

\$ 10,883,767

Due on or before Nov 23 1998

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1998-OCT-A0
Issue Date: November 03, 1998

Billing Period: October 1998
Period Ending: October 31, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	26,678,450 kWh	@	0.004950	132,058
IP-96	Demand	94865	565,800 kW	@	0.870000	492,246
IP-96	Energy - HLH	94865	244,573,900 kWh	@	0.022800	5,576,285
IP-96	Energy - LLH	94865	176,956,900 kWh	@	0.021340	3,776,260
IP-96	Load Regulation	94865	420,995,300 kWh	@	0.000180	75,779
Subtotal						10,052,628

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost- Monthly	94865	569,900 kW	@	1.000000	569,900
PTP-96	Del. Charge Longview	94865	423,500 kW	@	0.462000	195,657
PTP-96	Del. Charge Troutdale	94865	153,200 kW	@	0.428000	65,570
Subtotal						831,127

NOTES:

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 9/98.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	October 1998
Bill ID	30- 675-1998-OCT-A0	Period Ending	October 31, 1998

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	745	432	313
Request per Hour ¹	619,000		
Longview ²	312,514,500	181,308,500	131,206,000
Troutdale	108,480,800	63,031,600	45,449,200
Total	420,995,300	244,340,100	176,655,200

Industrial Firm Power (IP)

IP Energy Load	420,995,300	244,340,100	176,655,200
Hourly Take-or-Pay ³	535,500	233,800	301,700
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	421,530,800	244,573,900	176,956,900

Curtailment kWh ⁴ 26,678,450

Demand Data, kW	<u>Fed. Sys. Peak</u> 10/30 @ 0800	<u>Coincidental</u> 10/7 @ 1000	<u>POD Peak</u>	
Longview	417,000	421,500	421,500	10/7 @ 1000
Troutdale	148,800	148,400	149,200	10/5 @ 1000
Total Measured	565,800	569,900	570,700	
Contract Obligation	619,000			
IP Demand	565,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D - Revision 4. IP demand charge will be based the greater of contract amount 565,000 or company's measured demand on the federal system peak. Reynolds 619 MW take-or-pay obligation is waived due to force majeure and curtailment.

² Unmetered energy of 1,551,500 is included in the HLH energy for Longview, see P-Attachment 2.

³ Reynolds 619 MW take-or-pay obligation is waived due to force majeure and is replaced with a take or pay obligation of 565 MW. Each hour that energy usage is less than or equal to 565 MW, Reynolds will be charged for 565 MW for the hour. Those hours that energy usage exceeds 565 MW, Reynolds will be charged for the energy usage amount.

⁴ Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (612,810) they incur curtailment charges. However curtailment charges are not assessed on energy levels below 577,000

Curtailment level calculation - $1\%(619,000)=6,190$ $619,000 - 6,190 = 612,810$

Unmetered Calculation for Longview POD

Meter failed on 10/10 @ 1900 to 2000

Used the pulse reading before and after to estimate unmetered

Hour	Pulse read	Constant	Total kWh
1800	842		
2100	841		

Estimated			
1900	842	500	421,000
2000	841	500	420,500
			<u>841,500</u>

Less partial reads			
1900	646	500	(323,000)
2000	516	500	(258,000)

Subtotal **260,500**

Meter replaced on 10/15 @ 1300, no reads from 1300 to 1600

Took an average of reads before and after outage

Hour	Pulse Read	Average
1200	835	
1700	839	
	<u>1674 / 2 =</u>	837

Estimated Amounts	Pulse read	Constant	Total kWh
1300	837	500	418,500
1400	837	500	418,500
1500	837	500	418,500
1600	837	500	418,500
			<u>1,674,000</u>

Less partial read @ 1600

	766	500	(383,000)
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Subtotal **1,291,000**

Total Estimated for Longview (260,500 +1,291,000) 1,551,500

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL FINAL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1998-SEP-A0
Issue Date: October 02, 1998
Billing Period: September 1998
Period Ending: September 30, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 10,285,428
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 10,285,440

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 10,285,440

Due on or before Oct 22 1998

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**

Bill ID: 30- 675-1998-SEP-A0

Issue Date: October 02, 1998

Billing Period: September 1998

Period Ending: September 30, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	6,011,540	kWh @	0.004950	29,757
IP-96	Demand	94865	559,272	kW @	0.870000	486,567
IP-96	Energy - HLH	94865	230,866,600	kWh @	0.022800	5,263,758
IP-96	Energy - LLH	94865	168,622,800	kWh @	0.021340	3,598,411
IP-96	Load Regulation	94865	399,489,400	kWh @	0.000180	71,908

Subtotal

9,450,401

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost- Monthly	94865	573,800	kW @	1.000000	573,800
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.462000	195,657
PTP-96	Del. Charge Troutdale	94865	153,200	kW @	0.428000	65,570

Subtotal

835,027

NOTES:

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 9/98.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	September 1998
Bill ID	30- 675-1998-SEPT-A0	Period Ending	September 30, 1998

Energy Data, kwh	Total	HLH	LLH
Hours in Month	720	416	304
Request per Hour ¹	571,000		
Longview	301,139,000	173,925,000	127,214,000
Troutdale	98,350,400	56,941,600	41,408,800
Total	399,489,400	230,866,600	168,622,800

Industrial Firm Power (IP)

IP Energy Load	399,489,400	230,866,600	168,622,800
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	399,489,400	230,866,600	168,622,800

Curtailment kWh ² 6,011,540

Demand Data, kW	Fed. Sys. Peak 9/1 @ 1700	Coincidental 9/10 @ 1200	POD Peak	
Longview	420,500	421,000	421,500	9/2 @ 1100
Troutdale	103,600	152,800	153,200	9/11 @ 1000
Total Measured	524,100	573,800	574,700	
Contract Obligation	571,000			
IP Demand	559,272			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit B - Revision 6 of the restart schedule. IP demand charge will be based the greater of contract amount 559,272 or company's measured demand on the federal system peak. Reynolds 571 MW take-or-pay obligation is waived due to force majeure and curtailment.

² Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (559,290 9/1-9/11 and 553,290 9/12-9/30) they incur curtailment charges.

1%(571,000)=5,710 565,000 - 5,710 = 559,290 559,000 - 5,710 = 553,290

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL **FINAL**

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1998-AUG-A0
Issue Date: September 02, 1998
Billing Period: August 1998
Period Ending: August 31, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 8,622,973
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 8,622,985

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 8,622,985

Due on or before Sep 22 1998

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-1998-AUG-AO
 Issue Date: September 02, 1998

Billing Period: August 1998
 Period Ending: August 31, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Prior 9807 Demand Adj.	94865	-3,100	kW @	0.870000	(2,697)1_
IP-96	Prior 9807 Energy - HLH	94865	- 195,800	kWh @	0.013760	(2,694)
IP-96	Prior 9807 Energy - LLH	94865	- 147,400	kWh @	0.011990	(1,767)
IP-96	Fixed Curtailment Fee	94865	30,577,060	kWh @	0.004950	151,356
IP-96	Demand	94865	523,800	kW @	0.870000	455,706
IP-96	Energy - HLH	94865	217,557,000	kWh @	0.019610	4,266,293
IP-96	Energy - LLH	94865	171,256,800	kWh @	0.017030	2,916,503
IP-96	Load Regulation	94865	388,684,200	kWh @	0.000180	69,963

Subtotal

7,852,663

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost- Monthly	94865	528,600	kW @	1.000000	528,600
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.462000	195,657
PTP-96	Del. Charge Troutdale	94865	107,600	kW @	0.428000	46,053

Subtotal

770,310

NOTES:

1_ / Please see P- Attachment 2 for adjustment calculation.

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 7/98.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	August 1998
Bill ID	30- 675-1998-AUG-A0	Period Ending	August 31, 1998

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	416	328
Request per Hour ¹	517,000		
Longview	312,087,000	174,568,500	137,518,500
Troutdale	76,597,200	42,917,600	33,679,600
Total	388,684,200	217,486,100	171,198,100

Industrial Firm Power (IP)

IP Energy Load ²	388,684,200	217,486,100	171,198,100
Hourly Take-or-Pay ²	129,600	70,900	58,700
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	388,813,800	217,557,000	171,256,800

Curtailment kWh ³ 30,577,060

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	8/11 @ 1600	8/20 @ 1100		
Longview	421,000	421,000	422,000	8/13 @ 1100
Troutdale	102,800	107,600	107,600	8/20 @ 0900
Total Measured	523,800	528,600	529,600	
Contract Obligation	517,000			
IP Demand	517,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit B - Revision 6 of the restart schedule. IP demand charge will be based the greater of contract amount 517,000 or company's measured demand on the federal system peak.

² Reynolds 524 MW take-or-pay obligation is waived due to force majeure and is replaced with a take or pay obligation of 517 MW. Each hour that energy usage is less than or equal to 517 MW, Reynolds will be charged for 517 MW for the hour. Those hours that energy usage exceeds 517 MW, Reynolds will be charged for the energy usage amount.

³ Curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (565,290), they incur curtailment charges. However, curtailment charges are not assessed on energy levels below 524,000 due to a force majeure.

July Billing Adjustments

Reynolds was charged in error a generation demand charge of 524,000. Customer should have been charged the greater of 516,000 or their measured demand on the federal system peak. Customer measured demand on federal generation system peak (7/16 @ 1400) was 520,900.

Charged	524,000 kW X	0.87	455,880
Should have Charged	<u>520,900 kW X</u>	0.87	<u>453,183</u>
Amount due Customer	3,100 kW X	0.87	\$2,697

A take or pay obligation level of 517,000 for the July billing period. A take or pay obligation level of 514,000 should have been used.

	HLH			LLH		
Charged take or pay	699,900 kWh X	0.01376	9,630	208,500 kWh X	0.01199	2,500
Should have Charged	<u>504,100 kWh X</u>	0.01376	<u>6,936</u>	<u>61,100 kWh X</u>	0.01199	<u>733</u>
Amount due Customer	195,800 kWh X	0.01376	\$2,694	147,400 kWh X	0.01199	\$1,767

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1998-JUL-A0
Issue Date: August 04, 1998
Billing Period: July 1998
Period Ending: July 31, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 6,474,764
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 6,474,776

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 6,474,776

Due on or before Aug 24 1998

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1998-JUL-A0
Issue Date: August 04, 1998

Billing Period: July 1998
Period Ending: July 31, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Fixed Curtailment Fee	94865	30,715,360	kWh @	0.004950	152,041
IP-96	Demand	94865	524,000	kW @	0.870000	455,880
IP-96	Energy - HLH	94865	224,487,900	kWh @	0.013760	3,088,954
IP-96	Energy - LLH	94865	161,953,800	kWh @	0.011990	1,941,826
IP-96	Load Regulation	94865	385,533,300	kWh @	0.000180	69,396
Subtotal						5,708,097

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost- Monthly	94865	525,300	kW @	1.000000	525,300
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.462000	195,657
PTP-96	Del. Charge Troutdale	94865	106,800	kW @	0.428000	45,710
Subtotal						766,667

NOTES:

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 6/98.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
 WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	July 1998
Bill ID	30- 675-1998-JUL-A0	Period Ending	July 31, 1998

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	432	312
Request per Hour ¹	524,000		
Longview	310,878,500	180,396,000	130,482,500
Troutdale	74,654,800	43,392,000	31,262,800
Total	385,533,300	223,788,000	161,745,300

Industrial Firm Power (IP)

IP Energy Load ²	385,533,300	223,788,000	161,745,300
Hourly Take-or-Pay ²	908,400	699,900	208,500
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	386,441,700	224,487,900	161,953,800

Curtailment kWh ³	30,715,360
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Demand Data, kW	<u>Fed. Sys. Peak</u> 7/16 @ 1400	<u>Coincidental</u> 7/28 @ 1100	<u>POD Peak</u>	
Longview	420,500	420,500	422,000	7/2 @ 1500
Troutdale	100,400	104,800	104,800	7/28 @ 0900
Total Measured	520,900	525,300	526,800	
Contract Obligation	524,000			
IP Demand	524,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit B - Revision 6 of the restart schedule. IP demand charge will be based on 524 MW for 7/98, pursuant to section II C of the IP-96 rate schedule.

² July 1- 31, Reynolds 524 MW take-or-pay obligation is waived due to force majeure and is replaced with a take or pay obligation of 517 MW. Each hour that energy usage is less than or equal to 517 MW, Reynolds will be charged for 517 MW for the hour. Those hours that energy usage exceeds 517 MW, Reynolds will be charged for the energy usage amount.

³ July 1-31, curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (565,290), they incur curtailment charges. However, curtailment charges are not assessed on energy levels below 524,000 due to a force majeure.

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1998-JUN-A0
Issue Date: July 02, 1998
Billing Period: June 1998
Period Ending: June 30, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 5,199,693
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 5,199,705

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 5,199,705

Due on or before Jul 22 1998

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-1998-JUN-A0
Issue Date: July 02, 1998

Billing Period: June 1998
Period Ending: June 30, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	524,000	kW @	0.870000	455,880
IP-96	Energy - HLH	94865	212,459,400	kWh @	0.011190	2,377,421
IP-96	Energy - LLH	94865	155,333,000	kWh @	0.009740	1,512,943
IP-96	Load Regulation	94865	367,508,200	kWh @	0.000180	66,151
IP-96	Fixed Curtailment Fee	94865	4,504,660	kWh @	0.004950	22,298

Subtotal

4,434,693

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	524,000	kW @	1.000000	524,000
	Delivery Charge Longview	94865	423,500	kw @	0.462000	195,657
	Delivery Charge Troutdale	94865	106,800	kW @	0.428000	45,710
	Prior 9801-9804 Del Adj	94865	367	Mo @	-1.000000	(367) 1_ /

Subtotal

765,000

NOTES:

1_ / Rate was incorrect from 1/98 - 4/98. It was billed at .43 should have been .428. See Attachment 2 for adjustment calculation.

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 6/98.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	June 1998
Bill ID	30- 675-1998-JUN-A0	Period Ending	June 30, 1998

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	720	416	304
Request per Hour ¹	524,000		
Longview	300,745,000	173,825,000	126,920,000
Troutdale	66,763,200	38,484,800	28,278,400
Total	367,508,200	212,309,800	155,198,400

Industrial Firm Power (IP)			
IP Energy Load ²	367,508,200	212,309,800	155,198,400
Hourly Take-or-Pay ²	284,200	149,600	134,600
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Total	367,792,400	212,459,400	155,333,000

Curtailment kWh ³ 4,504,660

Demand Data, kW	<u>Fed. Sys. Peak</u> 6/3 @ 1200	<u>Coincidental</u> 6/8 @ 1200	<u>POD Peak</u>	
Longview	417,500	418,000	421,500	6/19 @ 1800
Troutdale	63,600	106,000	106,800	6/8 @ 0900
Total Measured	481,100	524,000	528,300	
Contract Obligation	524,000			
IP Demand	524,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D amounts of contract 94865, revision 3. IP demand charge will be based on 524 MW for 6/98, pursuant to section II C of the IP-96 rate schedule.

² June 11- 30, Reynolds 524 MW take-or-pay obligation is waived and replaced with a take-or-pay obligation of 514 MW. Each hour that energy usage is less than or equal to 514 MW, Reynolds will be charged for 514 MW for the hour. Those hours that energy usage exceeds 514 MW, Reynolds will be charged for the energy usage amount.

³ June 1-10, curtailment is to be applied to Reynolds' take-or-pay obligation, pursuant to section 18 of the power sales contract. Anytime Reynolds drops below curtailment level (518,760), they incur curtailment charges.

Troutdale Delivery Charge Adjustment

Used a rate of .43 on troutdale delivery charge 1/98-4/98 instead of .428

Charged on Bills				Should have been			
Date	kWh	Rate		kWh	Rate		
Jan-98	4,800	0.43	2,064	4,800	0.428	2,054	
Feb-98	59,200	0.43	25,456	59,200	0.428	25,338	
Mar-98	59,200	0.43	25,456	59,200	0.428	25,338	
Apr-98	60,400	0.43	25,972	60,400	0.428	25,851	
			<u>78,948</u>			<u>78,581</u>	

Amount due Reynolds (78,948 - 78,581)

\$367

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1998-MAY-A0
Issue Date: June 01, 1998
Billing Period: May 1998
Period Ending: May 31, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 5,090,089
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 5,090,101

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 5,090,101

Due on or before Jun 22 1998

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1998-MAY-A0
Issue Date: June 01, 1998

Billing Period: May 1998
Period Ending: May 31, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	479,500	kW @	0.870000	417,165
IP-96	Energy - HLH	94865	199,099,000	kWh @	0.011190	2,227,918
IP-96	Energy - LLH	94865	156,955,100	kWh @	0.009740	1,528,743
IP-96	Load Regulation	94865	356,054,100	kWh @	0.000180	64,090
IP-96	Fixed Curtailment Fee	94865	29,903,340	kWh @	0.004950	148,022

Subtotal

4,385,938

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	482,300	kW @	1.000000	482,300
	Delivery Charge Longview	94865	423,500	kw @	0.462000	195,657
	Delivery Charge Troutdale	94865	61,200	kW @	0.428000	26,194 1_/_

Subtotal

704,151

NOTES:

1_/_ Rate was incorrect from 1/98 - 4/98. It was billed at .43 should have been .428. An adjustment will be made on the 6/98 bill.

Delivery Charge ratchets established: Longview, 5/98; Troutdale, 5/98.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30-675-1998-APR-A0
Issue Date: May 01, 1998
Billing Period: April 1998
Period Ending: April 30, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 8,089,155
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 8,089,167

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 8,089,167

Due on or before May 21 1998

BPA Payment Information: Bills over \$50,000 must be paid by electronic fund transfers. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-1998-APR-A0
 Issue Date: May 01, 1998

Billing Period: April 1998
 Period Ending: April 30, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	476,000	kW @	0.870000	414,120
IP-96	Energy - HLH	94865	198,016,000	kWh @	0.020560	4,071,209
IP-96	Energy - LLH	94865	144,228,000	kWh @	0.019630	2,831,196
IP-96	- Dev w/i Band HLH	94865	- 123,500	kWh @	0.020560	(2,539)
IP-96	- Dev w/i Band LLH	94865	-59,300	kWh @	0.019630	(1,164)
IP-96	Load Regulation	94865	343,615,800	kWh @	0.000180	61,851
APS-96	- Dev w/i EI Band HLH	94865	-7,140	kWh @	0.016800	(120)
APS-96	- Dev > EI Band HLH	94865	-30,860	kWh @	0.008400	(259)
FPS-96	Energy-Comp-Bundled	10084	1,592,600	kWh @	0.010820	17,232

Subtotal

7,391,526

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost- Monthly	94865	476,000	kW @	1.000000	476,000
PTP-96	Del. Charge Longview	94865	423,500	kW @	0.462000	195,657
PTP-96	Del. Charge Troutdale	94865	60,400	kW @	0.430000	25,972

Subtotal

697,629

NOTES:

Troutdale POD had an outage to the RMS meter on 4/13 @ 1400 - 1500. Unmetered Energy was estimated based on like load surrounding hourly readings.

Delivery Charge ratchets established: Longview, 4/98; Troutdale, 4/98.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company		Billing Period	April 1998
Bill ID	30- 675-1998-APR-A0		Period Ending	April 30, 1998

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	719	416	303
Request per Hour ¹			
Longview	302,281,000	174,788,500	127,492,500
Troutdale	41,334,800	24,031,600 ⁴	17,303,200
Total	343,615,800	198,820,100	144,795,700
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	0	0	0
Request ¹	342,244,000	198,016,000	144,228,000
IP Neg. Dev. Within Band	(182,800)	(123,500)	(59,300)
Energy Imbalance Neg. Dev. Within Band	(7,140)	(7,140)	0
Energy Imbalance Neg. Dev. Outside Band	(30,860)	(30,860)	0
FPS 1 ²	1,592,600	0	0
FPS 2 ³	0	0	0
Total	343,615,800	197,854,500	144,168,700
Industrial Firm Power (IP)			
IP Energy Load	343,615,800	198,820,100	144,795,700
Hourly Take-or-Pay	38,000	38,000	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	38,000	38,000	0
Net Dev. Within Band + Daily + Monthly	(182,800)	(123,500)	(59,300)
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	(7,140)	(7,140)	0
Net Deviation Within Band	(7,140)	(7,140)	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	(30,860)	(30,860)	0
Demand Data, kW			
	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>
	4/28 @ 1700	4/6 @ 1000	
Longview	419,500	423,500	423,500 4/6 @ 1000
Troutdale	58,800	59,200	60,400 4/27 @ 1000
Total Measured	478,300	482,700	483,900
Contract Obligation	476,000		
IP Demand	476,000		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	

¹ Request per month is based on the Exhibit D amounts of contract 94865, revision 3.

² FPS 1 is calculated by taking the difference between hourly actual energy taken and the hourly request up to 50,000 kW.

³ FPS 2 is the amount over the 50,000 kW mentioned in note 3.

⁴ Includes 64,000 kWh unmetered energy applied for 4/13 @ 1400 - 1500.

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1998-MAR-A0
Issue Date: April 02, 1998
Billing Period: March 1998
Period Ending: March 31, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 8,280,498
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 8,280,510

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 8,280,510

Due on or before Apr 22 1998

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**

Bill ID: 30- 675-1998-MAR-A0

Issue Date: April 02, 1998

Billing Period: March 1998

Period Ending: March 31, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	420,000	kW @	0.870000	365,400
IP-96	Energy - HLH	94865	174,720,000	kWh @	0.023150	4,044,768
IP-96	Energy - LLH	94865	137,760,000	kWh @	0.021710	2,990,770
IP-96	- Dev w/i Band HLH	94865	-21,300	kWh @	0.023150	(493)
IP-96	- Dev w/i Band LLH	94865	-35,900	kWh @	0.021710	(779)
IP-96	Load Regulation	94865	325,884,000	kWh @	0.000180	58,659
APS-96	- Dev w/i EI Band Spill L	94865	-1,500	kWh @	0.000000	0
FPS-96	Energy-Comp-Bundled	10077	12,937,600	kWh @	0.013520	174,916
FPS-96	Energy-Comp-Bundled	10077	525,100	kWh @	0.013020	6,837

Subtotal

7,640,078

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	420,000	kW @	1.000000	420,000
PTP-96	Del. Charge Longview	94865	422,000	kW @	0.462000	194,964
PTP-96	Del. Charge Troutdale	94865	59,200	kW @	0.430000	25,456

Subtotal

640,420

NOTES:

BPA is in a declared Spill Condition

Delivery Charge ratchets established: Longview, 3/98; Troutdale, 2/98.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company		Billing Period	March 1998
Bill ID	30- 675-1998-MAR-A0		Period Ending	March 31, 1998
Energy Data, kwh	Total	HLH	LLH	
Hours in Month	744	416	328	
Request per Hour ¹	420,000			
Longview	285,586,000	159,569,000	126,017,000	
Troutdale	40,298,000	22,564,000	17,734,000	
Total	325,884,000	182,133,000	143,751,000	
Unauthorized Increase	0	0	0	
Energy Imbalance Pos. Dev. Within Band	0	0	0	
IP Pos. Dev. Within Band	0	0	0	
Request ¹	312,480,000	174,720,000	137,760,000	
IP Neg. Dev. Within Band	(57,200)	(21,300)	(35,900)	
Energy Imbalance Neg. Dev. Within Band	(1,500)	0	(1,500)	
Energy Imbalance Neg. Dev. Outside Band	0	0	0	
FPS 1 ²	12,937,600	0	0	
FPS 2 ³	525,100	0	0	
Total	325,884,000	174,698,700	137,722,600	
<u>Industrial Firm Power (IP)</u>				
IP Energy Load	325,884,000	182,133,000	143,751,000	
Hourly Take-or-Pay	(1,500)	0	(1,500)	
Daily Take-or-Pay	0	0	0	
Monthly Take-or-Pay	0	0	0	
Total Take-or-Pay	(1,500)	0	(1,500)	
Net Dev. Within Band + Daily + Monthly	(57,200)	(21,300)	(35,900)	
<u>Energy Imbalance (APS)</u>				
Positive Deviation Within Band	0	0	0	
Negative Deviation Within Band	(1,500)	0	(1,500)	
Net Deviation Within Band	(1,500)	0	(1,500)	
Positive Deviation Outside Band	0	0	0	
Negative Deviation Outside Band	0	0	0	
Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	3/26 @ 2000	3/31 @ 1200		
Longview	405,500	422,000	422,000	3/31 @ 1200
Troutdale	56,000	57,200	58,400	3/30 @ 0800
Total Measured	461,500	479,200	480,400	
Contract Obligation	420,000			
IP Demand	420,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per month is based on the Exhibit D amounts of contract 94865, revision 3.

² FPS 1 is calculated by taking the difference between hourly actual energy taken and the hourly request up to 50,000 kW.

³ FPS 2 is the amount over the 50,000 kW mentioned in note 2.

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1998-FEB-A0
Issue Date: March 04, 1998
Billing Period: February 1998
Period Ending: February 28, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 6,536,652
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 6,536,664

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 6,536,664

Due on or before Mar 24 1998

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-1998-FEB-A0
Issue Date: March 04, 1998

Billing Period: February 1998
Period Ending: February 28, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	373,000	kW @	0.870000	324,510
IP-96	Energy - HLH	94865	134,016,000	kWh @	0.023150	3,102,470
IP-96	Energy - LLH	94865	100,512,000	kWh @	0.021710	2,182,116
IP-96	Load Regulation	94865	254,167,100	kWh @	0.000180	45,750
FPS-96	Energy-Comp-Bundled	10077	19,589,700	kWh @	0.015850	310,497
FPS-96	Energy-Comp-Bundled	10077	49,400	kWh @	0.015350	758
Subtotal						5,966,101

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	373,000	kW @	1.000000	373,000
PTP-96	Del. Charge Longview	94865	372,500	kW @	0.462000	172,095
PTP-96	Del. Charge Troutdale	94865	59,200	kW @	0.430000	25,456
Subtotal						570,551

NOTES:

Delivery Charge ratchets established: Longview, 2/98; Troutdale, 2/98.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
 WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	February 1998
Bill ID	30- 675-1998-FEB-A0	Period Ending	February 28, 1998

Energy Data, kwh	Total	HLH	LLH
Hours in Month	672	384	288
Request per Hour ¹			
Longview	224,345,500	128,477,000	95,868,500
Troutdale	29,821,600	17,447,600	12,374,000
Total	254,167,100	145,924,600	108,242,500
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	0	0	0
Request ²	234,528,000	134,016,000	100,512,000
IP Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
FPS 1 ³	19,589,700	0	0
FPS 2 ⁴	49,400	0	0
Total	254,167,100	134,016,000	100,512,000
Industrial Firm Power (IP)			
IP Energy Load	254,167,100	145,924,600	108,242,500
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	0	0	0
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	0	0	0
Net Deviation Within Band	0	0	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW	Fed. Sys. Peak 2/16 @ 1900	Coincidental 2/28 @ 0800	POD Peak	
Longview	324,500	372,500	372,500	2/28 @ 0100
Troutdale	53,600	53,600	59,200	2/10 @ 0200
Total Measured	378,100	426,100	431,700	
Contract Obligation	373,000			
IP Demand	373,000			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

¹ Request per hour is based on the hourly data submitted by Reynolds in their start up schedule.

² Request per month is based on the Exhibit D amounts of contract 94865, revision 3.

³ FPS 1 is calculated by taking the difference between hourly actual energy taken and the hourly request up to 50,000 kW.

⁴ FPS 2 is the amount over the 50,000 kW mentioned in note 3.

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1998-JAN-A0
Issue Date: February 02, 1998
Billing Period: January 1998
Period Ending: January 31, 1998

PAYMENT SUMMARY

POWER STATEMENT	\$ 6,309,488
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 6,309,500

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 6,309,500

Due on or before Feb 23 1998

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-1998-JAN-A0
Issue Date: February 02, 1998

Billing Period: January 1998
Period Ending: January 31, 1998

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000 kW	@	0.870000	282,750
IP-96	Forecast HLH	94865	140,400,000 kWh	@	0.023150	3,250,260
IP-96	Forecast LLH	94865	101,400,000 kWh	@	0.021710	2,201,394
IP-96	+Dev w/i Band	94865	3,250 kW	@	0.870000	2,828
IP-96	+Dev w/i Band HLH	94865	546,500 kWh	@	0.023150	12,651
IP-96	+Dev w/i Band LLH	94865	340,900 kWh	@	0.021710	7,401
IP-96	Load Regulation	94865	244,060,800 kWh	@	0.000180	43,931
APS-96	+Dev w/i EI Band Gen Cap	94865	1,150 kW	@	0.870000	1,001
APS-96	+Dev w/i EI Band HLH	94865	71,900 kWh	@	0.019000	1,366
APS-96	+Dev w/i EI Band LLH	94865	3,400 kWh	@	0.017800	61
FPS-96	Energy-Comp-Bundled	10077	1,298,100 kWh	@	0.018740	24,326

Subtotal

5,827,969

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	328,150 kW	@	1.000000	328,150
PTP-96	Del. Charge Longview	94865	327,500 kW	@	0.462000	151,305
PTP-96	Del. Charge Troutdale	94865	4,800 kW	@	0.430000	2,064

Subtotal

481,519

NOTES:

Delivery Charge ratchets established: Longview, 1/98; Troutdale, 12/97.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
 WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	January 1998
Bill ID	30- 675-1998-JAN-A1	Period Ending	January 31, 1998

Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	432	312
Request per Hour	325,000		
Longview	241,214,000	140,127,500	101,086,500
Troutdale	2,846,800	1,727,200	1,119,600
Total	244,060,800	141,854,700	102,206,100
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	80,000	71,900	8,100
IP Pos. Dev. Within Band	942,100	568,400	373,700
Request	241,800,000	140,400,000	101,400,000
FPS	1,298,100	836,300	461,800
IP Neg. Dev. Within Band	(54,700)	(21,900)	(32,800)
Energy Imbalance Neg. Dev. Within Band	(4,700)	0	(4,700)
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	244,060,800	141,854,700	102,206,100
Industrial Firm Power (IP)			
IP Energy Load	243,980,800	141,782,800	102,198,000
Hourly Take-or-Pay	4,700	0	4,700
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	4,700	0	4,700
Net Dev. Within Band + Daily + Monthly	887,400	546,500	340,900
Energy Imbalance (APS)			
Positive Deviation Within Band	80,000	71,900	8,100
Negative Deviation Within Band	(4,700)	0	(4,700)
Net Deviation Within Band	75,300	71,900	3,400
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW	Fed. Sys. Peak	Coincidental	POD Peak
	1/9 @ 0800	1/27 @ 1000	
Longview	325,000	327,500	327,500 1/27 @ 1000
Troutdale	4,400	4,800	5,600 1/22 @ 1000
Total Measured	329,400	332,300	333,100
Contract Obligation	325,000		
IP Demand	328,250		
EI Within Band	1,150		
Unauth. Inc. Gen./Trans. ¹	0	4,050	

¹ Customer would have incurred Unauthorized increase of 4,050 if FPS sale had not been activated on 1/16/98.

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-DEC-A1
Issue Date: January 29, 1998
Billing Period: December 1997
Period Ending: December 31, 1997

PAYMENT SUMMARY

POWER STATEMENT	\$ 6,198,688
TRANSMISSION STATEMENT	\$ 12
Total Amount Calculated For This Bill	\$ 6,198,700
Total Amount Due Through 30- 675-1997-DEC-A0	\$ 6,199,410
 Total Due REYNOLDS METALS COMPANY	 (\$ 710)

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-1997-DEC-A1
Issue Date: January 29, 1998

Billing Period: December 1997
Period Ending: December 31, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000 kW	@	0.870000	282,750
IP-96	Energy - HLH	94865	140,400,000 kWh	@	0.022800	3,201,120
IP-96	Energy - LLH	94865	101,400,000 kWh	@	0.021340	2,163,876
IP-96	+Dev w/i Band	94865	2,700 kW	@	0.870000	2,349
IP-96	+Dev w/i Band HLH	94865	658,600 kWh	@	0.022800	15,016
IP-96	+Dev w/i Band LLH	94865	429,250 kWh	@	0.021340	9,160
IP-96	Load Regulation	94865	242,817,100 kWh	@	0.000180	43,707
APS-96	+Dev w/i EI Band HLH	94865	9,650 kWh	@	0.018600	179
APS-96	+Dev w/i EI Band LLH	94865	50 kWh	@	0.017500	1
APS-96	- Dev > EI Band HLH	94865	-80,450 kWh	@	0.009300	(748)

Subtotal

5,717,410

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	328,150 kW	@	1.000000	328,150
PTP-96	Del. Charge Longview	94865	327,000 kW	@	0.462000	151,074
PTP-96	Del. Charge Troutdale	94865	4,800 kW	@	0.428000	2,054

Subtotal

481,278

NOTES:

This bill has been revised because LLH energy amount was incorrectly calculated as well as the +Dev w/i Band. Transmission demand also needed to be revised.

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 12/97.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 2784, Portland OR 97208-2784.

U.S. Department of Energy
Bonneville Power Administration
 WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	December 1997
Bill ID	30- 675-1997-DEC-A1	Period Ending	December 31, 1997

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	432	312
Request per Hour	325,000		
Longview	240,835,500	139,811,000	101,024,500
Troutdale	1,981,600	1,176,800	804,800
Total	242,817,100	140,987,800	101,829,300
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	22,300	22,250	50
IP Pos. Dev. Within Band	1,191,400	748,950	442,450
Request	241,800,000	140,400,000	101,400,000
IP Neg. Dev. Within Band	(103,550)	(90,350)	(13,200)
Energy Imbalance Neg. Dev. Within Band	(12,600)	(12,600)	0
Energy Imbalance Neg. Dev. Outside Band	(80,450)	(80,450)	0
Total	242,817,100	140,987,800	101,829,300
Industrial Firm Power (IP)			
IP Energy Load	242,794,800	140,965,550	101,829,250
Hourly Take-or-Pay	93,050	93,050	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	93,050	93,050	0
Net Dev. Within Band + Daily + Monthly	1,087,850	658,600	429,250
Energy Imbalance (APS)			
Positive Deviation Within Band	22,300	22,250	50
Negative Deviation Within Band	(12,600)	(12,600)	0
Net Deviation Within Band	9,700	9,650	50
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	(80,450)	(80,450)	0
Demand Data, kW			
	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>
	12/11 @ 0800	12/30 @ 1200	
Longview	324,500	327,000	327,000
Troutdale	3,200	4,400	4,800
Total Measured	327,700	331,400	331,800
Contract Obligation	325,000		
IP Demand	327,700		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	3,150	
			12/30 @ 1200
			12/31 @ 1000

BPA - TRANSMISSION STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1997-DEC-A1
Issue Date: January 29, 1998

Billing Period: December 1997
Period Ending: December 31, 1997

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
	Reactor O&M	49138		1 Mo @	12.0000	12 1_ /
Subtotal						12

NOTES:

1_ / Exhibit D, contract 90536, extended contract 49138 until the earlier of the end of contract 90536, as amended or replaced, or the removal of the reactors. Contract 94865 replaced contract 90536.

There are no reactive charges this month.

Questions concerning this Transmission Statement may be directed to Bill Leonard, (360) 418-8654. Mail inquiries may be directed to Bonneville Power Administration, Transmission Billing - TMB/MODD PO Box 61571, Vancouver WA 98666-1571.

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-DEC-A0
Issue Date: January 05, 1998
Billing Period: December 1997
Period Ending: December 31, 1997

PAYMENT SUMMARY

POWER STATEMENT	\$ 6,199,398
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 6,199,410

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 6,199,410

Due on or before Jan 26 1998

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-1997-DEC-A0
 Issue Date: January 05, 1998

Billing Period: December 1997
 Period Ending: December 31, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000	kW @	0.870000	282,750
IP-96	Forecast HLH	94865	140,400,000	kWh @	0.022800	3,201,120
IP-96	Forecast LLH	94865	101,725,000	kWh @	0.021340	2,170,812
IP-96	+Dev w/i Band	94865	2,700	kW @	0.870000	2,349
IP-96	+Dev w/i Band HLH	94865	658,600	kWh @	0.022800	15,016
IP-96	+Dev w/i Band LLH	94865	413,000	kWh @	0.021340	8,813
IP-96	Load Regulation	94865	242,817,100	kWh @	0.000180	43,707
APS-96	+Dev w/i EI Band HLH	94865	9,650	kWh @	0.018500	179
APS-96	- Dev > EI Band HLH	94865	-80,450	kWh @	0.009300	(748)
APS-96	- Dev w/i EI Band LLH	94865	-4,825	kWh @	0.017500	(84)
APS-96	- Dev > EI Band LLH	94865	- 303,875	kWh @	0.008700	(2,644)
Subtotal						5,721,270

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	325,000	kW @	1.000000	325,000
PTP-96	Del. Charge Longview	94865	327,000	kW @	0.462000	151,074
PTP-96	Del. Charge Troutdale	94865	4,800	kW @	0.428000	2,054
Subtotal						478,128

NOTES:

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 12/97.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
 PO Box 3621, Portland OR 97208-3621.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	December 1997
Bill ID	30- 675-1997-DEC-A1	Period Ending	December 31, 1997

Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	432	312
Request per Hour	325,000		
Longview	241,307,000	139,971,000	101,336,000
Troutdale	1,264,400	744,800	519,600
Total	242,571,400	140,715,800	101,855,600

Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	22,300	22,250	50
IP Pos. Dev. Within Band	1,191,400	748,950	442,450
Request	241,800,000	140,400,000	101,400,000
IP Neg. Dev. Within Band	(119,800)	(90,350)	(29,450)
Energy Imbalance Neg. Dev. Within Band	(17,475)	(12,600)	(4,875)
Energy Imbalance Neg. Dev. Outside Band	(384,325)	(80,450)	(303,875)
Total	242,492,100	140,987,800	101,504,300

Industrial Firm Power (IP)

IP Energy Load	242,549,100	140,693,550	101,855,550
Hourly Take-or-Pay	401,800	93,050	308,750
Daily Take-or-Pay	160,950	0	160,950
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	562,750	93,050	469,700
Net Dev. Within Band + Daily + Monthly	1,232,550	658,600	573,950

Energy Imbalance (APS)

Positive Deviation Within Band	22,300	22,250	50
Negative Deviation Within Band	(17,475)	(12,600)	(4,875)
Net Deviation Within Band	4,825	9,650	(4,825)
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	(384,325)	(80,450)	(303,875)

Demand Data, kW

	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	12/11 @ 0800	12/30 @ 1200		
Longview	324,500	327,000	327,000	12/30 @ 1200
Troutdale	3,200	4,400	4,800	12/31 @ 1000
Total Measured	327,700	331,400	331,800	
Contract Obligation	325,000			
IP Demand	327,700			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	3,150		

BPA - TRANSMISSION STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1997-DEC-A0
Issue Date: January 05, 1998

Billing Period: December 1997
Period Ending: December 31, 1997

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
	Reactor O&M	49138		1 Mo @	12.0000	12 1_ /
Subtotal						12

NOTES:

1_ / Exhibit D, contract 90536, extended contract 49138 until the earlier of the end of contract 90536, as amended or replaced, or the removal of the reactors. Contract 94865 replaced contract 90536.

There are no reactive charges this month.

Questions concerning this Transmission Statement may be directed to Bill Leonard, (360) 418-8654. Mail inquiries may be directed to Bonneville Power Administration, Transmission Billing - TMB/MODD

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-NOV-A0
Issue Date: December 02, 1997
Billing Period: November 1997
Period Ending: November 30, 1997

PAYMENT SUMMARY

POWER STATEMENT	\$ 5,990,822
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 5,990,834

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 5,990,834

Due on or before Dec 22 1997

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1997-NOV-A0
Issue Date: December 02, 1997

Billing Period: November 1997
Period Ending: November 30, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000	kW @	0.870000	282,750
IP-96	Forecast HLH	94865	130,000,000	kWh @	0.022800	2,964,000
IP-96	Forecast LLH	94865	104,000,000	kWh @	0.021340	2,219,360
IP-96	+Dev w/i Band	94865	1,500	kW @	0.870000	1,305
IP-96	+Dev w/i Band HLH	94865	126,100	kWh @	0.022800	2,875
IP-96	+Dev w/i Band LLH	94865	61,800	kWh @	0.021340	1,319
IP-96	Load Regulation	94865	234,167,400	kWh @	0.000180	42,150
APS-96	- Dev w/i EI Band HLH	94865	-20,500	kWh @	0.018600	(381)

Subtotal

5,513,378

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	325,000	kW @	1.000000	325,000
PTP-96	Del. Charge Longview	94865	327,000	kW @	0.462000	151,074
PTP-96	Del. Charge Troutdale	94865	3,200	kW @	0.428000	1,370

Subtotal

477,444

NOTES:

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 12/96.

Questions concerning this Power Statement may be directed to Roxanna Miranda, (503) 230-5173.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - PSR
PO Box 3621, Portland OR 97208-3621.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	November 1997
Bill ID	30- 675-1997-NOV-A0	Period Ending	November 30, 1997

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	720	400	320
Request per Hour	325,000		
Longview	232,805,000	129,342,000	103,463,000
Troutdale	1,362,400	763,600	598,800
Total	234,167,400	130,105,600	104,061,800
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	532,400	349,100	183,300
Request	234,000,000	130,000,000	104,000,000
IP Neg. Dev. Within Band	(344,500)	(223,000)	(121,500)
Energy Imbalance Neg. Dev. Within Band	(20,500)	(20,500)	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	234,167,400	130,105,600	104,061,800
Industrial Firm Power (IP)			
IP Energy Load	234,167,400	130,105,600	104,061,800
Hourly Take-or-Pay	20,500	20,500	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	20,500	20,500	0
Net Dev. Within Band + Daily + Monthly	187,900	126,100	61,800
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	(20,500)	(20,500)	0
Net Deviation Within Band	(20,500)	(20,500)	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>
	11/25 @ 1800	11/7 @ 1100	
Longview	324,500	326,500	326,500
Troutdale	2,000	1,600	2,400
Total Measured	326,500	328,100	328,900
Contract Obligation	325,000		
IP Demand	326,500		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	
			11/7 @ 1100
			11/13 @ 1000

BPA - TRANSMISSION STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1997-NOV-A0
Issue Date: December 02, 1997

Billing Period: November 1997
Period Ending: November 30, 1997

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
	Reactor O&M	49138		1 Mo @	12.0000	12 1_ /
Subtotal						12

NOTES:

1_ / Exhibit D, contract 90536, extended contract 49138 until the earlier of the end of contract 90536, as amended or replaced, or the removal of the reactors. Contract 94865 replaced contract 90536.

There are no reactive charges this month.

Questions concerning this Transmission Statement may be directed to Bill Leonard, (503) 230-5652.
Mail inquiries may be directed to Bonneville Power Administration, Transmission Billing - TMBR
PO Box 3621, Portland OR 97208-3621.

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-OCT-A1
Issue Date: November 14, 1997
Billing Period: October 1997
Period Ending: October 31, 1997

PAYMENT SUMMARY

POWER STATEMENT	\$ 6,186,298
TRANSMISSION STATEMENT	\$ 12
Total Amount Calculated For This Bill	\$ 6,186,310
Total Amount Due Through 30- 675-1997-OCT-A0	\$ 6,432,310
 Total Due REYNOLDS METALS COMPANY	 (\$ 246,000)

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1997-OCT-A1
Issue Date: November 14, 1997

Billing Period: October 1997
Period Ending: October 31, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000	kW @	0.870000	282,750
IP-96	Forecast HLH	94865	140,400,000	kWh @	0.022800	3,201,120
IP-96	Forecast LLH	94865	101,725,000	kWh @	0.021340	2,170,812
IP-96	+Dev w/i Band	94865	600	kW @	0.870000	522
IP-96	+Dev w/i Band HLH	94865	315,800	kWh @	0.022800	7,200
IP-96	+Dev w/i Band LLH	94865	130,600	kWh @	0.021340	2,787
IP-96	Load Regulation	94865	242,571,400	kWh @	0.000180	43,663

Subtotal

5,708,854

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	325,000	kW @	1.000000	325,000
PTP-96	Del. Charge Longview	94865	327,000	kW @	0.462000	151,074
PTP-96	Del. Charge Troutdale	94865	3,200	kW @	0.428000	1,370

Subtotal

477,444

NOTES:

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 11/96.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Power Billing - TMBR
PO Box 3621, Portland OR 97208-3621.

U.S. Department of Energy
Bonneville Power Administration
 WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	October 1997
Bill ID	30- 675-1997-OCT-A1	Period Ending	October 31, 1997

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	745	432	313
Request per Hour	325,000		
Longview	241,307,000	139,971,000	101,336,000
Troutdale	1,264,400	744,800	519,600
Total	242,571,400	140,715,800	101,855,600
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	576,900	391,000	185,900
Request	242,125,000	140,400,000	101,725,000
IP Neg. Dev. Within Band	(130,500)	(75,200)	(55,300)
Energy Imbalance Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	242,571,400	140,715,800	101,855,600
<u>Industrial Firm Power (IP)</u>			
IP Energy Load	242,571,400	140,715,800	101,855,600
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	446,400	315,800	130,600
<u>Energy Imbalance (APS)</u>			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	0	0	0
Net Deviation Within Band	0	0	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>
	10/8 @ 2000	10/1 @ 1600	
Longview	324,000	326,000	326,000
Troutdale	1,600	1,600	2,000
Total Measured	325,600	327,600	328,000
Contract Obligation	325,000		
IP Demand	325,600		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	
			10/1 @ 1600
			10/2 @ 1300

BPA - TRANSMISSION STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1997-OCT-A1
Issue Date: November 14, 1997

Billing Period: October 1997
Period Ending: October 31, 1997

TRANSMISSION

RATE	SERVICE	CONTRACT	SERVICE	SERVICE		REVENUE
SCHEDULE	DESCRIPTION	NUMBER	AMOUNT	UNIT	RATE	\$
	Reactor O&M	49138	1 Mo	@	12.0000	12 1_ /
Subtotal						12

NOTES:

1_ / Exhibit D, contract 90536, extended contract 49138 until the earlier of the end of contract 90536, as amended or replaced, or the removal of the reactors. Contract 94865 replaced contract 90536.

There are no reactive charges this month.

Questions concerning this Transmission Statement may be directed to Bill Leonard, (503) 230-5652.
Mail inquiries may be directed to Bonneville Power Administration, Transmission Billing - TMBR
PO Box 3621, Portland OR 97208-3621.

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-OCT-A0
Issue Date: November 04, 1997
Billing Period: October 1997
Period Ending: October 31, 1997

PAYMENT SUMMARY

POWER STATEMENT	\$ 6,432,298
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 6,432,310

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 6,432,310

Due on or before Nov 24 1997

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.



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BPA - POWER STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
 Bill ID: 30- 675-1997-OCT-A0
 Issue Date: November 04, 1997

Billing Period: October 1997
 Period Ending: October 31, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000	kW @	0.870000	282,750
IP-96	Forecast HLH	94865	140,400,000	kWh @	0.022800	3,201,120
IP-96	Forecast LLH	94865	101,725,000	kWh @	0.021340	2,170,812
IP-96	+Dev w/i Band	94865	600	kW @	0.870000	522
IP-96	+Dev w/i Band HLH	94865	315,800	kWh @	0.022800	7,200
IP-96	+Dev w/i Band LLH	94865	130,600	kWh @	0.021340	2,787
IP-96	Load Regulation	94865	242,571,400	kWh @	0.000180	43,663
Subtotal						5,708,854

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	571,000	kW @	1.000000	571,000
PTP-96	Del. Charge Longview	94865	327,000	kW @	0.462000	151,074
PTP-96	Del. Charge Troutdale	94865	3,200	kW @	0.428000	1,370
Subtotal						723,444

NOTES:

This is an Estimate bill and will be followed with a Final bill.

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 11/96.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - TMBR
 PO Box 3621, Portland OR 97208-3621.

U.S. Department of Energy
Bonneville Power Administration
 WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	October 1997
Bill ID	30- 675-1997-OCT-A0	Period Ending	October 31, 1997

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	745	432	313
Request per Hour	325,000		
Longview	241,307,000	139,971,000	101,336,000
Troutdale	1,264,400	744,800	519,600
Total	242,571,400	140,715,800	101,855,600
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	576,900	391,000	185,900
Request	242,125,000	140,400,000	101,725,000
IP Neg. Dev. Within Band	(130,500)	(75,200)	(55,300)
Energy Imbalance Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	242,571,400	140,715,800	101,855,600
<u>Industrial Firm Power (IP)</u>			
IP Energy Load	242,571,400	140,715,800	101,855,600
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	446,400	315,800	130,600
<u>Energy Imbalance (APS)</u>			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	0	0	0
Net Deviation Within Band	0	0	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>	
	10/8 @ 2000	10/1 @ 1600		
Longview	324,000	326,000	326,000	10/1 @ 1600
Troutdale	1,600	1,600	2,000	10/2 @ 1300
Total Measured	325,600	327,600	328,000	
Contract Obligation	325,000			
IP Demand	325,600			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

BPA - TRANSMISSION STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1997-OCT-A0
Issue Date: November 04, 1997

Billing Period: October 1997
Period Ending: October 31, 1997

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
	Reactor O&M	49138		1 Mo @	12.0000	12 1_ /
Subtotal						12

NOTES:

1_ / Exhibit D, contract 90536, extended contract 49138 until the earlier of the end of contract 90536, as amended or replaced, or the removal of the reactors. Contract 94865 replaced contract 90536.

There are no reactive charges this month.

Questions concerning this Transmission Statement may be directed to Bill Leonard, (503) 230-5652.
Mail inquiries may be directed to Bonneville Power Administration, Transmission Billing - TMBR
PO Box 3621, Portland OR 97208-3621.

Bonneville

POWER ADMINISTRATION

WHOLESALE BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-SEP-A0
Issue Date: October 01, 1997
Billing Period: September 1997
Period Ending: September 30, 1997

PAYMENT SUMMARY

POWER STATEMENT	\$ 6,022,194
TRANSMISSION STATEMENT	\$ 12
TOTAL AMOUNT DUE	\$ 6,022,206

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 6,022,206

Due on or before Oct 21 1997

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - POWER STATEMENT

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-1997-SEP-A0
Issue Date: October 01, 1997

Billing Period: September 1997
Period Ending: September 30, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000	kW @	0.870000	282,750
IP-96	Forecast HLH	94865	135,200,000	kWh @	0.022800	3,082,560
IP-96	Forecast LLH	94865	98,800,000	kWh @	0.021340	2,108,392
IP-96	+Dev w/i Band	94865	600	kW @	0.870000	522
IP-96	+Dev w/i Band HLH	94865	123,950	kWh @	0.022800	2,826
IP-96	+Dev w/i Band LLH	94865	108,750	kWh @	0.021340	2,321
IP-96	Load Regulation	94865	234,219,900	kWh @	0.000280	65,582
APS-96	- Dev w/i EI Band HLH	94865	-4,875	kWh @	0.018600	(91)
APS-96	- Dev > EI Band HLH	94865	-1,275	kWh @	0.009300	(12)
APS-96	- Dev w/i EI Band LLH	94865	-4,875	kWh @	0.017500	(85)
APS-96	- Dev > EI Band LLH	94865	-1,775	kWh @	0.008700	(15)

Subtotal

5,544,750

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	325,000	kW @	1.000000	325,000
PTP-96	Del. Charge Longview	94865	327,000	kW @	0.462000	151,074
PTP-96	Del. Charge Troutdale	94865	3,200	kW @	0.428000	1,370

Subtotal

477,444

NOTES:

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 11/96.

Questions concerning this Power Statement may be directed to Dennis O'Drane, (503) 230-5812.
 Mail inquiries may be directed to Bonneville Power Administration, Power Billing - TMBR
 PO Box 3621, Portland OR 97208-3621.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	September 1997
Bill ID	30- 675-1997-SEP-A0	Period Ending	September 30, 1997

Energy Data, kwh	Total	HLH	LLH
Hours in Month	720	416	304
Request per Hour	325,000		
Longview	233,045,500	134,633,000	98,412,500
Troutdale	1,174,400	684,800	489,600
Total	234,219,900	135,317,800	98,902,100
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	481,900	302,700	179,200
Request	234,000,000	135,200,000	98,800,000
IP Neg. Dev. Within Band	(249,200)	(178,750)	(70,450)
Energy Imbalance Neg. Dev. Within Band	(9,750)	(4,875)	(4,875)
Energy Imbalance Neg. Dev. Outside Band	(3,050)	(1,275)	(1,775)
Total	234,219,900	135,317,800	98,902,100

Industrial Firm Power (IP)

IP Energy Load	234,219,900	135,317,800	98,902,100
Hourly Take-or-Pay	12,800	6,150	6,650
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	12,800	6,150	6,650
Net Dev. Within Band + Daily + Monthly	232,700	123,950	108,750

Energy Imbalance (APS)

Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	(9,750)	(4,875)	(4,875)
Net Deviation Within Band	(9,750)	(4,875)	(4,875)
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	(3,050)	(1,275)	(1,775)

Demand Data, kWFed. Sys. PeakCoincidentalPOD Peak

	9/25 @ 2000	9/9 @ 1800		
Longview	324,000	326,000	326,000	9/9 @ 1800
Troutdale	1,600	2,000	2,000	9/2 @ 1100
Total Measured	325,600	328,000	328,000	
Contract Obligation	325,000			
IP Demand	325,600			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

BPA - TRANSMISSION STATEMENT

Purchaser: **REYNOLDS METALS COMPANY**
Bill ID: 30- 675-1997-SEP-A0
Issue Date: October 01, 1997

Billing Period: September 1997
Period Ending: September 30, 1997

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
	Reactor O&M	49138		1 Mo @	12.0000	12 1_ /
Subtotal						12

NOTES:

1_ / Exhibit D, contract 90536, extended contract 49138 until the earlier of the end of contract 90536, as amended or replaced, or the removal of the reactors. Contract 94865 replaced contract 90536.

There are no reactive charges this month.

Questions concerning this Transmission Statement may be directed to Bill Leonard, (503) 230-5652.
Mail inquiries may be directed to Bonneville Power Administration, Transmission Billing - TMBR
PO Box 3621, Portland OR 97208-3621.

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-AUG-A0
Issue Date: September 02, 1997
Billing Period: August 1997
Period Ending: August 31, 1997

PAYMENT SUMMARY

TOTAL AMOUNT DUE \$ 5,288,284

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 5,288,284

Due on or before Sep 22 1997

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

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BPA - WHOLESALE POWER BILL

Purchaser: REYNOLDS METALS COMPANY
Bill ID: 30- 675-1997-AUG-A0
Issue Date: September 02, 1997

Billing Period: August 1997
Period Ending: August 31, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000	kW @	0.870000	282,750
IP-96	Forecast HLH	94865	135,200,000	kWh @	0.019610	2,651,272
IP-96	Forecast LLH	94865	106,600,000	kWh @	0.017030	1,815,398
IP-96	+Dev w/i Band	94865	600	kW @	0.870000	522
IP-96	- Dev w/i Band HLH	94865	- 228,800	kWh @	0.019610	(4,487)
IP-96	- Dev w/i Band LLH	94865	- 130,950	kWh @	0.017030	(2,230)
IP-96	Load Regulation	94865	241,439,600	kWh @	0.000280	67,603
APS-96	- Dev w/i EI Band Spill L	94865	- 650	kWh @	0.000000	0

Subtotal

4,810,828

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Tx Embedded Cost-Monthly	94865	325,000	kW @	1.000000	325,000
PTP-96	Tx Del. Charge Longview	94865	327,000	kW @	0.462000	151,074
PTP-96	Tx Del. Charge Troutdale	94865	3,200	kW @	0.428000	1,370
	Tx Reactor O&M	49138		1 Mo @	12.0000	12

Subtotal

477,456

NOTES:

BPA was in Spill Condition this month.

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 11/96.

There are no reactive charges this month.

Questions concerning this Wholesale Power Bill may be directed to Dennis O'Drane, (503) 230-5812.
 Mail inquiries may be directed to Bonneville Power Administration, Billing - TMBR
 PO Box 3621, Portland OR 97208-3621.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	August 1997
Bill ID	30- 675-1997-AUG-A0		
Issue Date	September 2, 1997	Period Ending	August 31, 1997

Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	416	328
Request per Hour	325,000		
Longview	240,276,000	134,314,000	105,962,000
Troutdale	1,163,600	657,200	506,400
Total	241,439,600	134,971,200	106,468,400

Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	207,900	140,200	67,700
Request	241,800,000	135,200,000	106,600,000
IP Neg. Dev. Within Band	(567,650)	(369,000)	(198,650)
Energy Imbalance Neg. Dev. Within Band	(650)	0	(650)
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	241,439,600	134,971,200	106,468,400

<u>Industrial Firm Power (IP)</u>			
IP Energy Load	241,439,600	134,971,200	106,468,400
Hourly Take-or-Pay	650	0	650
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	650	0	650
Net Dev. Within Band + Daily + Monthly	(359,750)	(228,800)	(130,950)

<u>Energy Imbalance (APS)</u>			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	(650)	0	(650)
Net Deviation Within Band	(650)	0	(650)
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW	Fed. Sys. Peak 8/19 @ 1800	Coincidental 8/15 @ 1500	POD Peak	
Longview	324,000	325,500	325,500	8/15 @ 1500
Troutdale	1,600	1,600	2,000	8/5 @ 1300
Total Measured	325,600	327,100	327,500	
Contract Obligation	325,000			
IP Demand	325,600			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	0		

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POWER ADMINISTRATION

WHOLESALE POWER BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-JUL-A0
Issue Date: August 01, 1997
Billing Period: July 1997
Period Ending: July 31, 1997

PAYMENT SUMMARY

TOTAL AMOUNT DUE \$ 3,974,331

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 3,974,331

Due on or before Aug 21 1997

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.

Questions concerning this bill may be directed to Dennis O'Drane, Revenue Analyst, (503) 230-5812. Mail inquiries may be directed to Bonneville Power Administration, Billing Operations - TMBR, PO Box 3621, Portland OR 97208-3621.



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U.S. Department of Energy
BONNEVILLE POWER ADMINISTRATION
WHOLESALE POWER BILL

Purchaser: **Reynolds Metals Company**
Bill ID: 30- 675-1997-JUL-A0
Issue Date: August 01, 1997

Billing Period: July 1997
Period Ending: July 31, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000	kW @	0.870000	282,750
IP-96	Forecast HLH	94865	140,400,000	kWh @	0.013760	1,931,904
IP-96	Forecast LLH	94865	101,400,000	kWh @	0.011990	1,215,786
IP-96	+Dev w/i Band	94865	1,100	kW @	0.870000	957
IP-96	- Dev w/i Band HLH	94865	- 132,650	kWh @	0.013760	(1,825)
IP-96	- Dev w/i Band LLH	94865	-33,400	kWh @	0.011990	(400)
IP-96	Load Regulation	94865	241,634,200	kWh @	0.000280	67,658
APS-96	+Dev w/i EI Band HLH	94865	250	kWh @	0.011300	3
APS-96	Prior Adj. (1/97)	94865	2,350	Mo @	0.017800	42

Subtotal

3,496,875

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Tx Embedded Cost-Monthly	94865	325,000	kW @	1.000000	325,000
PTP-96	Tx Del. Charge Longview	94865	327,000	kW @	0.462000	151,074
PTP-96	Tx Del. Charge Troutdale	94865	3,200	kW @	0.428000	1,370
	Tx Reactor O&M	49138		1 Mo @	12.0000	12

Subtotal

477,456

NOTES:

Prior Adj. applied to current bill based on credit given on 1/97 power bill for APS-96 Neg Within Energy Imbalance Band LLH. BPA was in a declared spill condition at this time.

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 11/96.

There are no reactive charges this month.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	July 1997
Bill ID	30- 675-1997-JUL-A0		
Issue Date	August 1, 1997	Period Ending	July 31, 1997

Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	432	312
Request per Hour	325,000		
Longview	240,479,000	139,594,000	100,885,000
Troutdale	1,155,200	673,600	481,600
Total	241,634,200	140,267,600	101,366,600
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	250	250	0
IP Pos. Dev. Within Band	286,750	184,050	102,700
Request	241,800,000	140,400,000	101,400,000
IP Neg. Dev. Within Band	(452,800)	(316,700)	(136,100)
Energy Imbalance Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	241,634,200	140,267,600	101,366,600
<u>Industrial Firm Power (IP)</u>			
IP Energy Load	241,633,950	140,267,350	101,366,600
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	(166,050)	(132,650)	(33,400)
<u>Energy Imbalance (APS)</u>			
Positive Deviation Within Band	250	250	0
Negative Deviation Within Band	0	0	0
Net Deviation Within Band	250	250	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW	Fed. Sys. Peak 7/22 @ 1800	Coincidental 7/17 @ 1100	POD Peak	
Longview	324,500	326,500	326,500	7/17 @ 1100
Troutdale	1,600	2,000	2,000	7/8 @ 2100
Total Measured	326,100	328,500	328,500	
Contract Obligation	325,000			
IP Demand	326,100			
EI Within Band	0			
Unauth. Inc. Gen./Trans.	0	250		

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-JUN-A0
Issue Date: July 02, 1997
Billing Period: June 1997
Period Ending: June 30, 1997

PAYMENT SUMMARY

TOTAL AMOUNT DUE \$ 3,291,056

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 3,291,056

Due on or before Jul 22 1997

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.

Questions concerning this bill may be directed to Dennis O'Drane, Revenue Analyst, (503) 230-5812.
Mail inquiries may be directed to Bonneville Power Administration, Billing Operations - TMBR,
PO Box 3621, Portland OR 97208-3621.



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U.S. Department of Energy
BONNEVILLE POWER ADMINISTRATION
WHOLESALE POWER BILL

Purchaser: **Reynolds Metals Company**
Bill ID: 30- 675-1997-JUN-A0
Issue Date: July 02, 1997

Billing Period: June 1997
Period Ending: June 30, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000 kW	@	0.870000	282,750
IP-96	Forecast HLH	94865	118,950,000 kWh	@	0.011190	1,331,051
IP-96	Forecast LLH	94865	104,000,000 kWh	@	0.009740	1,012,960
IP-96	Relief fr T- P HLH	94865	10,659,800 kWh	@	0.011190	119,283
IP-96	+Dev w/i Band	94865	1,600 kW	@	0.870000	1,392
IP-96	Load Regulation	94865	233,683,200 kWh	@	0.000280	65,431
APS-96	+Dev w/i EI Band HLH	94865	79,700 kWh	@	0.009200	733
APS-96	- Dev > EI Band Spill HLH	94865	-6,300 kWh	@	0.000000	0

Subtotal

2,813,600

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Tx Embedded Cost-Monthly	94865	325,000 kW	@	1.000000	325,000
PTP-96	Tx Del. Charge Longview	94865	327,000 kW	@	0.462000	151,074
PTP-96	Tx Del. Charge Troutdale	94865	3,200 kW	@	0.428000	1,370
	Tx Reactor O&M	49138	1 Mo	@	12.0000	12

Subtotal

477,456

NOTES:

This is an Estimate bill and will be followed with a Final bill.

BPA is in a declared Spill Condition

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 11/96.

There are no reactive charges this month.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	June 1997
Bill ID	30- 675-1997-JUN-A0		
Issue Date	July 2, 1997	Period Ending	June 30, 1997

Energy Data, kwh	Total	HLH	LLH
Hours in Month	720	400	320
Hours of Take-or-Pay		366	320
Request per Hour	325,000		
Longview	232,530,000	129,045,500	103,484,500
Troutdale	1,153,200	644,000	509,200
Total	233,683,200	129,689,500	103,993,700

Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	318,700	200,800	117,900
Request	222,950,000	118,950,000	104,000,000
IP Relief from Take or Pay	10,659,800	10,659,800	0
IP Neg. Dev. Within Band	(245,300)	(121,100)	(124,200)
Energy Imbalance Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	233,683,200	129,689,500	103,993,700

Industrial Firm Power (IP)

IP Energy Load	233,683,200	129,689,500	103,993,700
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	73,400	79,700	(6,300)

Energy Imbalance (APS)

Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	0	0	0
Net Deviation Within Band	0	0	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW

	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>
	6/9 @ 1800	6/3 @ 1400	
Longview	325,000	325,500	325,500
Troutdale	1,600	1,600	2,000
Total Measured	326,600	327,100	327,500
Contract Obligation	325,000		
IP Demand	326,600		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-MAY-A0
Issue Date: June 02, 1997
Billing Period: May 1997
Period Ending: May 31, 1997

PAYMENT SUMMARY

TOTAL AMOUNT DUE \$ 3,390,888

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 3,390,888

Due on or before Jun 23 1997

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.

Questions concerning this bill may be directed to Dennis O'Drane, Revenue Analyst, (503) 230-5812. Mail inquiries may be directed to Bonneville Power Administration, Billing Operations - TMBR, PO Box 3621, Portland OR 97208-3621.



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U.S. Department of Energy
BONNEVILLE POWER ADMINISTRATION
WHOLESALE POWER BILL

Purchaser: **Reynolds Metals Company**
Bill ID: **30- 675-1997-MAY-A0**
Issue Date: **June 02, 1997**

Billing Period: **May 1997**
Period Ending: **May 31, 1997**

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000 kW	@	0.870000	282,750
IP-96	Forecast HLH	94865	140,400,000 kWh	@	0.011190	1,571,076
IP-96	Forecast LLH	94865	101,400,000 kWh	@	0.009740	987,636
IP-96	+Dev w/i Band	94865	1,600 kW	@	0.870000	1,392
IP-96	+Dev w/i Band HLH	94865	237,200 kWh	@	0.011190	2,654
IP-96	+Dev w/i Band LLH	94865	15,300 kWh	@	0.009740	149
IP-96	Load Regulation	94865	242,052,500 kWh	@	0.000280	67,775

Subtotal

2,913,432

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Tx Embedded Cost-Monthly	94865	325,000 kW	@	1.000000	325,000
PTP-96	Tx Del. Charge Longview	94865	327,000 kW	@	0.462000	151,074
PTP-96	Tx Del. Charge Troutdale	94865	3,200 kW	@	0.428000	1,370
	Tx Reactor O&M	49138	1 Mo	@	12.0000	12

Subtotal

477,456

NOTES:

BPA is in a declared Spill Condition.

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 11/96.

There are no reactive charges this month.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	May 1997
Bill ID	30- 675-1997-MAY-A0		
Issue Date	June 2, 1997	Period Ending	May 31, 1997

Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	432	312
Request per Hour	325,000		
Longview	240,844,500	139,934,000	100,910,500
Troutdale	1,208,000	703,200	504,800
Total	242,052,500	140,637,200	101,415,300
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	444,000	315,400	128,600
Request	241,800,000	140,400,000	101,400,000
IP Neg. Dev. Within Band	(191,500)	(78,200)	(113,300)
Energy Imbalance Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	242,052,500	140,637,200	101,415,300
Industrial Firm Power (IP)			
IP Energy Load	242,052,500	140,637,200	101,415,300
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	252,500	237,200	15,300
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	0	0	0
Net Deviation Within Band	0	0	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW	Fed. Sys. Peak	Coincidental	POD Peak
	5/30 @ 1100	5/30 @ 1500	
Longview	325,000	325,500	325,500 5/30 @ 1500
Troutdale	1,600	2,000	2,000 5/1 @ 0800
Total Measured	326,600	327,500	327,500
Contract Obligation	325,000		
IP Demand	326,600		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	

Reynolds Metals Company

Customer #675

Ratchet Table

	Delivery Charge, kW		Reactive Demands, kVar			
	Longview	Troutdale	Longview		Troutdale	
			HLH Lagging	LLH Leading	HLH Lagging	LLH Leading
Oct-96	325,000	2,000	0	0	Waiver effective 10/1/96	
Nov-96	325,500	3,200	0	0		
Dec-96	325,500	3,200	0	0		
Jan-97	327,000	3,200	0	0		
Feb-97	326,000	3,200	0	0		
Mar-97	326,500	3,200	0	0		
Apr-97	325,500	3,200	0	0		
May-97	325,500	2,000	0	0		
Jun-97						
Jul-97						
Aug-97						
Sep-97						

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-APR-A0
Issue Date: May 01, 1997
Billing Period: April 1997
Period Ending: April 30, 1997

PAYMENT SUMMARY

TOTAL AMOUNT DUE \$ 5,550,875

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 5,550,875

Due on or before May 21 1997

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.

Questions concerning this bill may be directed to Dennis O'Drane, Revenue Analyst, (503) 230-5812. Mail inquiries may be directed to Bonneville Power Administration, Billing Operations - TMBR, PO Box 3621, Portland OR 97208-3621.



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U.S. Department of Energy
BONNEVILLE POWER ADMINISTRATION
WHOLESALE POWER BILL

Purchaser: **Reynolds Metals Company**
Bill ID: 30- 675-1997-APR-A0
Issue Date: May 01, 1997

Billing Period: April 1997
Period Ending: April 30, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000 kW	@	0.870000	282,750
IP-96	Forecast HLH	94865	135,200,000 kWh	@	0.020560	2,779,712
IP-96	Forecast LLH	94865	98,475,000 kWh	@	0.019630	1,933,064
IP-96	+Dev w/i Band	94865	1,900 kW	@	0.870000	1,653
IP-96	+Dev w/i Band HLH	94865	286,800 kWh	@	0.020560	5,897
IP-96	+Dev w/i Band LLH	94865	242,800 kWh	@	0.019630	4,766
IP-96	Load Regulation	94865	234,204,600 kWh	@	0.000280	65,577

Subtotal

5,073,419

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Tx Embedded Cost-Monthly	94865	325,000 kW	@	1.000000	325,000
PTP-96	Tx Del. Charge Longview	94865	327,000 kW	@	0.462000	151,074
PTP-96	Tx Del. Charge Troutdale	94865	3,200 kW	@	0.428000	1,370
	Tx Reactor O&M	49138	1 Mo	@	12.0000	12

Subtotal

477,456

NOTES:

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 11/96.

There are no reactive charges this month.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	April 1997
Bill ID	30- 675-1997-APR-A0		
Issue Date	May 1, 1997	Period Ending	April 30, 1997

Energy Data, kwh	Total	HLH	LLH
Hours in Month	719	416	303
Request per Hour	325,000		
Longview	232,701,000	134,608,000	98,093,000
Troutdale	1,503,600	878,800	624,800
Total	234,204,600	135,486,800	98,717,800
Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	0	0	0
IP Pos. Dev. Within Band	686,200	399,400	286,800
Request	233,675,000	135,200,000	98,475,000
IP Neg. Dev. Within Band	(156,600)	(112,600)	(44,000)
Energy Imbalance Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	234,204,600	135,486,800	98,717,800
Industrial Firm Power (IP)			
IP Energy Load	234,204,600	135,486,800	98,717,800
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	529,600	286,800	242,800
Energy Imbalance (APS)			
Positive Deviation Within Band	0	0	0
Negative Deviation Within Band	0	0	0
Net Deviation Within Band	0	0	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW	Fed. Sys. Peak	Coincidental	POD Peak
	4/3 2000	4/11 2200	
Longview	324,500	325,500	325,500 4/11 2200
Troutdale	2,400	2,400	3,200 4/2 0900
Total Measured	326,900	327,900	328,700
Contract Obligation	325,000		
IP Demand	326,900		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	0	

Reynolds Metals Company

Customer #675

Ratchet Table

	Delivery Charge, kW		Reactive Demands, kVar			
	Longview	Troutdale	Longview		Troutdale	
			HLH Lagging	LLH Leading	HLH Lagging	LLH Leading
Oct-96	325,000	2,000	0	0	Waiver effective 10/1/96	
Nov-96	325,500	3,200	0	0		
Dec-96	325,500	3,200	0	0		
Jan-97	327,000	3,200	0	0		
Feb-97	326,000	3,200	0	0		
Mar-97	326,500	3,200	0	0		
Apr-97	325,500	3,200				
May-97						
Jun-97						
Jul-97						
Aug-97						
Sep-97						

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-MAR-A0
Issue Date: April 02, 1997
Billing Period: March 1997
Period Ending: March 31, 1997

PAYMENT SUMMARY

TOTAL AMOUNT DUE \$ 6,307,687

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 6,307,687

Due on or before Apr 22 1997

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.

Questions concerning this bill may be directed to Dennis O'Drane, Revenue Analyst, (503) 230-5812. Mail inquiries may be directed to Bonneville Power Administration, Billing Operations - TMBR, PO Box 3621, Portland OR 97208-3621.



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U.S. Department of Energy
BONNEVILLE POWER ADMINISTRATION
WHOLESALE POWER BILL

Purchaser: **Reynolds Metals Company**
 Bill ID: 30- 675-1997-MAR-AO
 Issue Date: April 02, 1997

Billing Period: March 1997
 Period Ending: March 31, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000	kW @	0.870000	282,750
IP-96	Forecast HLH	94865	135,200,000	kWh @	0.023150	3,129,880
IP-96	Forecast LLH	94865	106,600,000	kWh @	0.021710	2,314,286
IP-96	+Dev w/i Band	94865	2,300	kW @	0.870000	2,001
IP-96	+Dev w/i Band HLH	94865	596,500	kWh @	0.023150	13,809
IP-96	+Dev w/i Band LLH	94865	318,850	kWh @	0.021710	6,922
IP-96	Load Regulation	94865	242,716,500	kWh @	0.000280	67,961
APS-96	+Dev w/i EI Band HLH	94865	1,100	kWh @	0.019000	21
APS-96	+Dev w/i EI Band LLH	94865	50	kWh @	0.017800	1

Subtotal

5,817,631

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Tx Embedded Cost-Monthly	94865	325,000	kW @	1.000000	325,000
PTP-96	Tx Unauthorized Increase	94865	1,050	kW @	12.0000	12,600
PTP-96	Tx Del. Charge Longview	94865	327,000	kW @	0.462000	151,074
PTP-96	Tx Del. Charge Troutdale	94865	3,200	kW @	0.428000	1,370
	Tx Reactor O&M	49138		1 Mo @	12.0000	12

Subtotal

490,056

NOTES:

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 1/97.

There are no reactive charges this month.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	March 1997
Bill ID	30- 675-1997-MAR-A0		
Issue Date	April 2, 1997	Period Ending	March 31, 1997

Energy Data, kwh	<u>Total</u>	<u>HLH</u>	<u>LLH</u>
Hours in Month	744	416	328
Request per Hour	325,000		
Longview	240,760,500	134,694,000	106,066,500
Troutdale	1,956,000	1,103,600	852,400
Total	242,716,500	135,797,600	106,918,900

Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	1,150	1,100	50
IP Pos. Dev. Within Band	1,002,850	626,100	376,750
Request	241,800,000	135,200,000	106,600,000
1P Neg. Dev. Within Band	(87,500)	(29,600)	(57,900)
Energy Imbalance Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	242,716,500	135,797,600	106,918,900

Industrial Firm Power (IP)

IP Energy Load	242,715,350	135,796,500	106,918,850
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	915,350	596,500	318,850

Energy Imbalance (APS)

Positive Deviation Within Band	1,150	1,100	50
Negative Deviation Within Band	0	0	0
Net Deviation Within Band	1,150	1,100	50
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW

	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>
	3/14 0800	3/17 1000	
Longview	324,500	326,500	326,500
Troutdale	2,800	2,800	3,200
Total Measured	327,300	329,300	329,700
Contract Obligation	325,000		
IP Demand	327,300		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	1,050	

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-FEB-A0
Issue Date: March 03, 1997
Billing Period: February 1997
Period Ending: February 28, 1997

PAYMENT SUMMARY

TOTAL AMOUNT DUE \$ 5,768,871

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration
PO Box 6040
Portland OR 97228-6040

\$ 5,768,871

Due on or before Mar 24 1997

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.

Questions concerning this bill may be directed to Dennis O'Drane, Revenue Analyst, (503) 230-5812. Mail inquiries may be directed to Bonneville Power Administration, Billing Operations - TMBR, PO Box 3621, Portland OR 97208-3621.



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U.S. Department of Energy
BONNEVILLE POWER ADMINISTRATION
WHOLESALE POWER BILL

Purchaser: **Reynolds Metals Company**
 Bill ID: 30- 675-1997-FEB-A0
 Issue Date: March 03, 1997

Billing Period: February 1997
 Period Ending: February 28, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000	kW @	0.870000	282,750
IP-96	Forecast HLH	94865	124,800,000	kWh @	0.023150	2,889,120
IP-96	Forecast LLH	94865	93,600,000	kWh @	0.021710	2,032,056
IP-96	+Dev w/i Band	94865	900	kW @	0.870000	783
IP-96	+Dev w/i Band HLH	94865	690,400	kWh @	0.023150	15,983
IP-96	+Dev w/i Band LLH	94865	344,400	kWh @	0.021710	7,477
IP-96	Load Regulation	94865	219,435,000	kWh @	0.000280	61,442
APS-96	+Dev w/i EI Band HLH	94865	200	kWh @	0.019000	4

Subtotal

5,289,615

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Tx Embedded Cost-Monthly	94865	325,000	kW @	1.000000	325,000
PTP-96	Tx Unauthorized Increase	94865	150	kW @	12.0000	1,800
PTP-96	Tx Del. Charge Longview	94865	327,000	kW @	0.462000	151,074
PTP-96	Tx Del. Charge Troutdale	94865	3,200	kW @	0.428000	1,370
	Tx Reactor O&M	49138	1	Mo @	12.0000	12

Subtotal

479,256

NOTES:

Delivery Charge ratchets established: Longview, 1/97; Troutdale, 1/97.

There are no reactive charges this month.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	February 1997
Bill ID	30- 675-1997-FEB-A0		
Issue Date	March 3, 1997	Period Ending	February 28, 1997

Energy Data, kwh	Total	HLH	LLH
Hours in Month	672	384	288
Request per Hour	325,000		
Longview	217,725,000	124,503,000	93,222,000
Troutdale	1,710,000	987,600	722,400
Total	219,435,000	125,490,600	93,944,400

Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	200	200	0
IP Pos. Dev. Within Band	1,059,100	698,600	360,500
Request	218,400,000	124,800,000	93,600,000
IP Neg. Dev. Within Band	(24,300)	(8,200)	(16,100)
Energy Imbalance Neg. Dev. Within Band	0	0	0
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	219,435,000	125,490,600	93,944,400

Industrial Firm Power (IP)

IP Energy Load	219,434,800	125,490,400	93,944,400
Hourly Take-or-Pay	0	0	0
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	0	0	0
Net Dev. Within Band + Daily + Monthly	1,034,800	690,400	344,400

Energy Imbalance (APS)

Positive Deviation Within Band	200	200	0
Negative Deviation Within Band	0	0	0
Net Deviation Within Band	200	200	0
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW	Fed. Sys. Peak	Coincidental	POD Peak
	2/17 1900	2/28 1100	
Longview	323,500	326,000	326,000 2/28 1100
Troutdale	2,400	2,400	3,200 2/07 0900
Total Measured	325,900	328,400	329,200
Contract Obligation	325,000		
IP Demand	325,900		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	150	

U.S. Department of Energy
BONNEVILLE POWER ADMINISTRATION
WHOLESALE POWER BILL

Purchaser: **Reynolds Metals Company**
 Bill ID: 30- 675-1997-JAN-A0
 Issue Date: February 04, 1997

Billing Period: January 1997
 Period Ending: January 31, 1997

GENERATION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
IP-96	Demand	94865	325,000 kW	@	0.870000	282,750
IP-96	Forecast HLH	94865	140,400,000 kWh	@	0.023150	3,250,260
IP-96	Forecast LLH	94865	101,400,000 kWh	@	0.021710	2,201,394
IP-96	+Dev w/i Band	94865	1,800 kW	@	0.870000	1,566
IP-96	+Dev w/i Band HLH	94865	662,850 kWh	@	0.023150	15,345
IP-96	+Dev w/i Band LLH	94865	331,950 kWh	@	0.021710	7,207
IP-96	Load Regulation	94865	242,795,400 kWh	@	0.000280	67,983
APS-96	+Dev w/i EI Band HLH	94865	2,950 kWh	@	0.019000	56
APS-96	- Dev w/i EI Band LLH	94865	-2,350 kWh	@	0.017800	(42)

Subtotal

5,826,519

TRANSMISSION

RATE SCHEDULE	SERVICE DESCRIPTION	CONTRACT NUMBER	SERVICE AMOUNT	SERVICE UNIT	RATE	REVENUE \$
PTP-96	Embedded Cost-Monthly	94865	325,000 kW	@	1.000000	325,000
PTP-96	Unauthorized Increase	94865	1,150 kW	@	12.0000	13,800
PTP-96	Delivery Charge Longview	94865	327,000 kW	@	0.462000	151,074
PTP-96	Delivery Charge Troutdale	94865	3,200 kW	@	0.428000	1,370
	Reactor O&M	49138	1 Mo	@	12.0000	12

Subtotal

491,256

NOTES:

There are no reactive charges this month.

U.S. Department of Energy
Bonneville Power Administration
WHOLESALE POWER BILL

Purchaser	Reynolds Metals Company	Billing Period	January 1997
Bill ID	30- 675-1997-JAN-A0		
Issue Date	February 3, 1997	Period Ending	January 31, 1997

Energy Data, kwh	Total	HLH	LLH
Hours in Month	744	432	312
Request per Hour	325,000		
Longview	240,843,000	139,925,000	100,918,000
Troutdale	1,952,400	1,140,800	811,600
Total	242,795,400	141,065,800	101,729,600

Unauthorized Increase	0	0	0
Energy Imbalance Pos. Dev. Within Band	2,950	2,950	0
IP Pos. Dev. Within Band	1,072,250	699,850	372,400
Request	241,800,000	140,400,000	101,400,000
IP Neg. Dev. Within Band	(77,450)	(37,000)	(40,450)
Energy Imbalance Neg. Dev. Within Band	(2,350)	0	(2,350)
Energy Imbalance Neg. Dev. Outside Band	0	0	0
Total	242,795,400	141,065,800	101,729,600

Industrial Firm Power (IP)

IP Energy Load	242,792,450	141,062,850	101,729,600
Hourly Take-or-Pay	2,350	0	2,350
Daily Take-or-Pay	0	0	0
Monthly Take-or-Pay	0	0	0
Total Take-or-Pay	2,350	0	2,350
Net Dev. Within Band + Daily + Monthly	994,800	662,850	331,950

Energy Imbalance (APS)

Positive Deviation Within Band	2,950	2,950	0
Negative Deviation Within Band	(2,350)	0	(2,350)
Net Deviation Within Band	600	2,950	(2,350)
Positive Deviation Outside Band	0	0	0
Negative Deviation Outside Band	0	0	0

Demand Data, kW

	<u>Fed. Sys. Peak</u>	<u>Coincidental</u>	<u>POD Peak</u>
	1/13 0800	1/22 1200	
Longview	324,000	327,000	327,000
Troutdale	2,800	2,400	3,200
Total Measured	326,800	329,400	330,200
Contract Obligation	325,000		
IP Demand	326,800		
EI Within Band	0		
Unauth. Inc. Gen./Trans.	0	1,150	

Bonneville

POWER ADMINISTRATION

WHOLESALE POWER BILL

REYNOLDS METALS COMPANY
C R THORNTON
PO BOX 999
LONGVIEW WA 98632-0086

Bill ID: 30- 675-1997-JAN-A0
Issue Date: February 04, 1997
Billing Period: January 1997
Period Ending: January 31, 1997

PAYMENT SUMMARY

TOTAL AMOUNT DUE \$ 6,317,775

BONNEVILLE POWER ADMINISTRATION

PAY THIS AMOUNT TO:

Bonneville Power Administration

\$ 6,317,775

PO Box 6040

Portland OR 97228-6040

Due on or before Feb 24 1997

BPA Payment Information: Bills over \$50,000 must be paid by direct wire transfer. Late payment charges will be assessed if this bill is not paid on or before the close of business on the due date. See Section I.D. of the General Rates Schedule Provisions effective October 1, 1996.

Thank you, we appreciate your business.

Questions concerning this bill may be directed to Bill Leonard, Revenue Analyst, (503) 230-5652.
Mail inquiries may be directed to Bonneville Power Administration, Billing Operations - TMBR,
PO Box 3621, Portland OR 97208-3621.



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CURTAILMENT ADDENDUM TO THE 1981 AGREEMENT

executed by the

BONNEVILLE POWER ADMINISTRATION

and

ALCOA INC.**Table of Contents**

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Exhibit A: Confirmation Agreement

This CURTAILMENT ADDENDUM is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION ("BPA"), ALCOA INC. ("Alcoa"). Alcoa is organized under the laws of the Commonwealth of Pennsylvania.

RECITALS

Due to the volatility in current power markets, Alcoa desires to curtail certain operations at its Wenatchee, Washington smelter, and BPA desires to purchase the power that is made available as a result of such curtailment.

Although the 1981 Agreement contains no provisions for long-term curtailments and remarketing, BPA is willing, through this Addendum, to include the curtailment and purchase provisions, as described in this Addendum, to the 1981 Agreement.

Execution of this Addendum will provide substantial benefits: (1) to BPA and its Pacific Northwest wholesale power customers; and (2) to Alcoa, including no adverse impacts to Alcoa's employees at the Wenatchee, Washington smelter.

THEREFORE, BPA proposes the following:

1. TERM

This Addendum takes effect on the date signed by the Parties (the "Effective Date"), and shall continue in effect until 2400 hours on September 30, 2001.

2. DEFINITIONS

Capitalized terms in this Addendum shall have the meanings defined below or in context, or, if not defined in this Addendum, the meanings defined in the 1981 Agreement.

- (a) "1981 Agreement" means the Power Sales Agreement, Contract No. DE-MS79-81BP90343, between BPA and Alcoa.
- (b) "1996 Agreements" means Contract Nos. 95MS-94860 and 95MS-94865 that have been assigned to Alcoa by Intalco Aluminum Corporation and Reynolds Metals Company, respectively.
- (c) "Addendum" means this Remarketing Addendum to the 1981 Agreement, Contract No. 01PB-10760.
- (d) "Confirmation Agreement" means Contract No. 01PB-23944, attached hereto as Exhibit A.
- (e) "Party" or "Parties" means BPA and Alcoa.

3. EXHIBIT

Exhibit A (Confirmation Agreement) is attached hereto and made a part of this Addendum.

4. CURTAILMENT

Alcoa shall curtail its consumption of Federal power in the Wenatchee smelter at potline No. 3 no later than hour ending (HE) 2400, January 8, 2001, and at potline No. 2 no later than HE 2400, January 31, 2001. The amounts curtailed shall be deemed equal to 68.6 megawatts (MW) on every hour for potline No. 3 and 74 MW on every hour for potline No. 2.

5. BPA PURCHASE OF POWER MADE AVAILABLE AS THE RESULT OF CURTAILMENT

BPA shall purchase the amount of power made available as the result of the curtailment by Alcoa described in section 4 above. The amounts purchased, the rate, and the total revenues due Alcoa from this purchase are as described in the Confirmation Agreement, attached hereto as Exhibit A. If Alcoa is unable to achieve the load curtailments on or before the dates specified in section 4, then BPA shall amend the Confirmation Agreement to reflect the hour and day each curtailment was achieved.

6. RELIEF FROM OBLIGATIONS

(a) Relief from Obligations Under the 1981 Agreement

BPA shall be relieved of its obligation under the 1981 Agreement to sell Industrial Firm Power to Alcoa for the remaining term of the 1981 Agreement, which terminates at 2400 hours, June 30, 2001. Alcoa shall be relieved from its obligation under the 1981 Agreement to pay BPA the industrial firm (IP-96) power rate for all power made available and purchased by BPA under the Confirmation Agreement.

(b) Relief from Obligations Under Contract No. 95MS-94865

The Parties shall execute a revision to Exhibit D of Contract No. 95MS-94865 to reflect the 74 MW curtailment described in section 4 and a 200 MW reduction in Firm Power purchase obligation during the months of July, August, and September 2001. BPA shall not assess Alcoa any fixed curtailment fee for Firm Power amounts specified in such revised Exhibit D under Contract No. 95MS-94865 that may be curtailed during July, August, and September 2001.

7. ALCOA OBLIGATIONS RELATED TO EMPLOYEES

Alcoa agrees to consult with union representatives concerning the effects of the curtailment, and during the curtailment period through June 30, 2001, Alcoa agrees to provide full compensation and benefits to employees affected by the curtailment. Alcoa further agrees that it will not involuntarily terminate employees due to the curtailment, but may design and offer a voluntary program for employee separation. Nothing contained in this Addendum will otherwise restrict Alcoa's ability to operate its Wenatchee smelter business as it sees fit, or will give any affected employee a private right of action, whether primarily or as a third party beneficiary of this Addendum.

8. NOTICES

Any notice required under this Addendum shall be in writing and shall be delivered: (a) in person; (b) by a nationally recognized delivery service; or (c) by United States Certified Mail. Notices are effective when received. Any Party may change its address for notices by giving notice of such change consistent with this section.

If to Alcoa:

Alcoa Inc.
6200 Malaga-Alcoa Highway
Malaga, WA 98828-9728
Attn: Mr. Jack Speer
Northwest Energy Leader
Phone: 509-663-9331
FAX: 509-663-9399
E-Mail: Jack.speer@Alcoa.com

If to BPA:

Bonneville Power Administration
P.O. Box 3621
905 NE. 11th Avenue
Portland, OR 97208-3621
Attn: Mark E. Miller – PT-5
Account Executive
Phone: 503-230-4003
FAX: 503-230-3681
E-Mail: memiller@bpa.gov

9. UNDERLYING PROVISIONS

Unless otherwise specified in this Addendum, all administrative and operational provisions required to perform this Addendum shall be those contained in the 1996 Agreements, including applicable provisions, if any, related to delivery, scheduling, billing, payments, metering, access to facilities, dispute resolution, uncontrollable forces, continuity of services, and contract interpretation. Except as expressly provided herein, the 1981 Agreement shall remain in full force and effect and shall be unmodified.

10. SIGNATURES

The signatories represent that they are authorized to enter into this Addendum on behalf of the Party for whom they sign.

ALCOA INC.

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By /S/ RANDALL M. OVERBEY

By /S/ MARK E. MILLER
Account Executive

Name Randall M. Overbey
(Print/Type)

Name Mark E. Miller (Print/Type)

Date January 19, 2001

Date 1/10/01

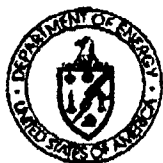
DHanlon:cg:3562:12/20/00 (PBLAN-PM-W:\PSC\PM\CT\10760.doc) 01/09/01

5-16-2001 7:00AM

FROM BPA/HQ PSB-5

503 230 3681

P. 8



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

May 16, 2001

In reply refer to: PTS-5

Amendment No. 2
Contract No. 01PB-10760
LETTER AGREEMENT

Mr. Randall M. Overbey, President
Alcoa Inc., Energy Division
1200 Riverview Tower
900 South Gay Street
Knoxville, TN 37902-1845

Dear Mr. Overbey:

As a result of recent discussions between representatives of Bonneville Power Administration (BPA) and Alcoa Inc. (Alcoa), Alcoa has agreed to curtail additional load at its Intalco Aluminum Corporation (Intalco) facilities, and BPA has agreed to purchase the power that is made available as a result of such additional curtailment. This letter agreement (Amendment No. 2) amends Contract No. 01PB-10760 ("Addendum") to reflect such curtailment. BPA and Alcoa are sometimes referred to individually as "Party" and jointly as "Parties."

Accordingly, BPA proposes the following:

1. **EFFECTIVE DATE.** This Amendment No. 2 shall become effective on the date it is executed by the Parties.

2. **AMENDMENT OF ADDENDUM.** The Addendum is amended as follows:

(a) Section 3, as amended, is deleted and replaced by the following:

"3. **EXHIBITS**

Exhibit A (Contract No. 01PB-23944), Exhibit B (Contract No. 01PB-24048), and Exhibit C (Contract No. 01PB-24200, Contract No. 01PB-24202, and Contract No. 01PB-24209) are attached hereto and made a part of this Addendum."

5-16-2001 7:03AM

FROM BPA/HQ PSB-5

503 230 3681

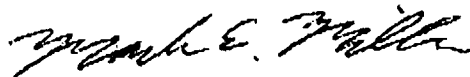
P. 2

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and C. If Alcoa is unable to achieve the load curtailments on or before the dates specified in section 4, then BPA shall amend Exhibit A, B, or C, as applicable, to reflect the hour and day each curtailment was achieved."

If the foregoing terms are acceptable, please sign both originals of this Amendment No. 2 and return one original to me. The remaining original is for your files.

Sincerely,



Account Executive

Name Mark E. Miller
(Print/Type)

ACCEPTED:

ALCOA INC.

By

Name

(Print/Type)

Title

Date

(PBI\LAN-P6-3-W\PSC\PM\CT\10760AA2.DOC) 05/10/01

Amendment No. 2, 01PB-10760, Alcoa
DRAFT 05/10/01

Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

AUTHENTICATED-PROPRIETARY

In reply refer to: PTS-5

Amendment No. 1
Contract No. 01PB-10760
LETTER AGREEMENT

Mr. Randall M. Overbey, President
Alcoa Inc., Energy Division
1200 Riverview Tower
900 South Gay Street
Knoxville, TN 37902-1845

Dear Mr. Overbey:

As a result of recent discussions between representatives of Bonneville Power Administration (BPA) and Alcoa Inc. (Alcoa), Alcoa has agreed to curtail additional load at its Intalco Aluminum Corporation (Intalco) facilities, and BPA has agreed to purchase the power that is made available as a result of such additional curtailment. This letter agreement (Amendment No. 1) amends Contract No. 01PB-10760 ("Addendum") to reflect such curtailment. BPA and Alcoa are sometimes referred to individually as "Party" and jointly as "Parties."

Accordingly, BPA proposes the following:

1. **EFFECTIVE DATE.** This Amendment No. 1 shall become effective on the date it is executed by the Parties.

2. **AMENDMENT OF ADDENDUM.** The Addendum is amended as follows:

(a) Section 3 is deleted and replaced by the following:

"3. EXHIBITS

Exhibit A (Contract No. 01PB-23944) and Exhibit B (Contract No. 01PB-24048) are attached hereto and made a part of this Addendum."

- (b) Section 4 is deleted and replaced by the following:

“4 CURTAILMENTS

(a) **Curtailment at Wenatchee Smelter**

Alcoa shall curtail its consumption of Federal power in the Wenatchee smelter at potline No. 3 no later than hour ending (HE) 2400, January 8, 2001, and at potline No. 2 no later than HE 2400, January 31, 2001. The amounts curtailed shall be deemed equal to 68.6 megawatts (MW) on every hour for potline No. 3 and 74 MW on every hour for potline No. 2. This curtailment shall continue until HE 2400 on June 30, 2001.

(b) **Curtailment at Intalco Smelter**

Beginning HE 0100 on May 1, 2001, and continuing through HE 2400 on September 30, 2001, Alcoa shall curtail its consumption of Federal power at the Intalco smelter. The amount curtailed shall be 281 MW on every hour during this period.”

- (c) Section 5 is deleted and replaced by the following:

“5. BPA PURCHASE OF POWER MADE AVAILABLE AS THE RESULT OF CURTAILMENTS

BPA shall purchase the amount of power made available as the result of the curtailments by Alcoa described in section 4 above. The amounts purchased, the rate, and the total revenues due Alcoa from these purchases are as described in Exhibits A and B. If Alcoa is unable to achieve the load curtailments on or before the dates specified in section 4, then BPA shall amend Exhibit A or B, as applicable, to reflect the hour and day each curtailment was achieved.”

- (d) A new section 6(c) is added as follow:

“(c) Relief from Obligations Under Contract No. 95MS-94860

BPA shall not assess Alcoa any fixed curtailment fee under Contract No. 95MS-94860 for the amounts curtailed in section 4(b) above. Alcoa shall continue to pay the IP Rate for the total monthly amounts specified in Revision No. 6 of Exhibit D of Contract No. 95MS-94860.”



Department of Energy
Bonneville Power
Administration
P.O. Box 8621
Portland, OR 97208-3621

POWER BUSINESS LINE
Trader and Scheduling Phones

Date: February 13, 2001
To: Aluminum Co of America
PO Box 221
Wenatchee, WA 98807-0221

Attn: Jack A. Speer
Fax: 509-663-9399

Presch: Mike Russeau 360-636-8201 (Longview)
Real Time: 360-636-8377 (Longview)
PS/RT
FAX:

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-8144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
David Mills	(503) 230-7588
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3916
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Aluminum Co of America (ALC). Transactions hereunder are in accordance with reference contract or enabling agreement DE-MS79-81BP90343.

Transaction Date: 2/13/01

Traders: Mark Miller (BPA) and Jack A. Speer (ALC)

BPA Contract: 01PB-31372

Seller of Energy: Aluminum Co of America
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: BPA SYSTEM

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
2/14/01	2/28/01	Maximum	ALL	Maximum	To be determined	\$100.00		To be determined
HE 0600		125		125				

Energy Transaction Total:

See Additional Provisions

Additional Provisions

BPA's Power Business Line will have rights to utilize 125 MW of transmission under the Block Sale Contract No. 94865.

The End of Term shall be the earlier of 2/28/01 or the effective date of the assignment of the Alcoa Longview Smelter.

Total MWh shall be equal to the cumulative difference between the original demand (380 MW) and the metered load of the Alcoa Longview smelter (e.g. original demand - metered load = Amount; 380 MW - metered load = Amount).

Scheduling

All energy will be shown in Pacific Prevailing Time.

- ~ HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
- ~ LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- ~ All or FLH is defined as HE 0100 - HE 2400.

Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined in the reference contract or by mutual agreement of both parties.


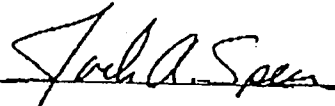
Billing

Billing and payment under this agreement shall be made consistent with and as a specific item in the Wholesale Power Bill. Alcoa will still be billed for the IP-96 rate on the energy amounts specified in this Confirmation Agreement.

Unless otherwise specified in this Agreement, all administrative and operational provisions required to perform this Agreement shall be those described in the reference contract, including provisions related to delivery, scheduling (if applicable), billing, payments, metering, access to facilities, dispute resolution, uncontrollable forces, continuity of services, and contract interpretation.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Aluminum Co of America are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	ALCOA INC Aluminum Co of America
	
Mark Miller Account Executive, Bulk Power Marketing	Name: <u>JACK A. SPEER</u> Title: <u>NORTHWEST ENERGY DIRECTOR</u>
Date: _____	Date: <u>FEB 16, 2001</u>

Curtailment #1

terminated

Contract No. 01PB-10765

CURTAILMENT AGREEMENT
executed by the
BONNEVILLE POWER ADMINISTRATION
and
LONGVIEW ALUMINUM, LLC

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This CURTAILMENT AGREEMENT ("Agreement") is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION ("BPA") and LONGVIEW ALUMINUM, LLC, ("Company"), a limited liability company organized under the laws of the State of Delaware.

RECITALS

BPA understands from the Company that the Company intends to purchase the Longview Reduction Plant (the "Smelter") from Reynolds Metals Company ("Reynolds"). BPA further understands from the Company that, as part of this acquisition, the Company intends to: (i) cause Alcoa, Inc. ("Alcoa") to assign to the Company a portion of the Contract Demand under Contract No. 95MS-94865 (the "1996 Reynolds/Alcoa Power Sales Agreement"), which provides for the delivery of power by BPA to Alcoa (as assignee of such contract from Reynolds) during the period from October 1, 1996, through September 30, 2001; and (ii) cause Alcoa to assign to the Company a portion of the Firm Power under

Contract No. 00PB-12196 (the "2001 Alcoa Block Power Sales Agreement") which provides for the delivery of power by BPA to Alcoa during the period from October 1, 2001 through September 30, 2006 (such assignments are hereinafter collectively referred to as the "Assignments").

BPA acknowledges that, upon the effective date of the Assignments, the Company shall be the successor in interest to Alcoa to the portion of the 1996 Reynolds/Alcoa Power Sales Agreement assigned by Alcoa to the Company and the Company shall be the successor in interest to Alcoa to the portion of the 2001 Alcoa Block Power Sales Agreement assigned by Alcoa to the Company. BPA further acknowledges that neither BPA's consent, nor amendment of the 1996 Reynolds/Alcoa Power Sales Agreement or the 2001 Alcoa Block Power Sales Agreement, is required in order to effectuate the Assignments.

Prior to or on the effective date of the Assignments, BPA and the Company will execute Contract No. 01PB-10769, an agreement similar in form to the 2001 Alcoa Block Power Sales Agreement ("2001 Agreement").

The amount of power to be available to the Company under the 2001 Agreement will not be sufficient to meet all of the power needs of the Smelter. Also, the current price for aluminum and the costs of obtaining power to operate the Smelter in excess of the power available under the 2001 Agreement make full operation of the Smelter at the present time uneconomical and not in the best interests of the Company. Accordingly, the Company desires to curtail operations of the Smelter during the period from the Effective Date (as defined in section 1 below) through March 2002 and BPA is agreeable to such curtailment pursuant to the terms of this Agreement.

Curtailments during this period will enable BPA to avoid power supply costs. BPA will pay the Company for the curtailed power.

The Company's curtailment proceeds, and other cost savings associated with the curtailment will improve the Company's ability to maintain long-term Smelter operations. Long-term operation of the Smelter depends on a skilled workforce, reduced costs, and a long-term power supply from new generating resources. The monetary benefits of this Agreement enable the Company to retain its workforce. A separate agreement between the Company and the United Steelworkers of America provides that Smelter employees will be compensated during the curtailment. Employee compensation will mitigate the impact of the curtailment on the local community. Proceeds from remarketing also enable the Company to reduce Smelter costs. These actions also make it possible for the Company to develop new generating resources to replace its BPA power supply no later than September 30, 2006.

Pursuant to this Agreement, the Company also agrees not to take power service from BPA, either directly or indirectly, after September 30, 2006, which provides an additional material benefit to BPA and its customers.

THEREFORE, BPA and the Company agree as follows:

1. TERM

This Agreement takes effect on the date it is executed by the Parties and shall continue in effect until 2400 hours on March 31, 2002. The obligations of the Parties under this Agreement shall become effective on the date that both of the following conditions have been satisfied (Effective Date): (a) the document(s) effectuating the Assignments has been executed and delivered by Alcoa to BPA, and any conditions required for the effectiveness of such Assignments have been fulfilled; and (b) the 2001 Agreement has been executed by the Parties. All obligations incurred hereunder shall be preserved until satisfied.

2. TERMINATION OF AGREEMENT

If the Effective Date has not occurred by 2400 hours on January 31, 2001, then this Agreement shall terminate automatically at 0100 hours on February 1, 2001.

3. DEFINITIONS

Capitalized terms used in this Agreement shall have the meanings defined below.

- (a) "Business Day" means a normal day of business for both Parties.
- (b) "Party" or "Parties" means BPA and/or the Company.
- (c) "Qualified Expenditures" means expenditures for the purposes identified in sections 10(a), 10(b), and 10(c) of this Agreement.
- (d) "Transmission Agreement" means the transmission agreement that will be executed by the Company and BPA's Transmission Business Line that provides for the transmission of power to serve load at the Smelter.
- (e) "Unrecoverable Costs" mean the unrecoverable costs of BPA substation and transmission facilities used to serve Company load at the Smelter. If these facilities must be removed from the site, the unrecoverable costs shall include, in addition to the unamortized investment for such facilities, all reasonable cost involved in the disposition of such facilities, such as, but not limited to, labor in dismantling equipment, transportation, site restoration, and cleanup, less any mitigation, such as the salvage value of such equipment. The unamortized investment in such facilities shall be included in the Transmission Agreement.
- (f) "Use-of-Facilities Charges" means a monthly charge under the Transmission Agreement that reflects the investment, operations, and maintenance costs associated with substation facilities used to serve Company load at the Smelter.

4. CURTAILMENTS

The Company shall curtail its consumption of Federal power at the Smelter during the following periods of time and for the following megawatt (MW) amounts:

<u>Time Period</u>	<u>Amount Curtailed (MW)</u>	<u>Operating Level (MW)</u>
02/01/2001 through 09/30/2001	420 MW on every hour	0 MW
10/01/2001 through 12/31/2001	280 MW on every hour	0 MW
01/01/2002 through 03/31/2002	180 MW on every hour	100 MW

5. FAILURE TO ACHIEVE FULL CURTAILMENTS

If, pursuant to section 4 above, the curtailments have not been fully achieved, then BPA shall deduct from the first monthly payment (and subsequent monthly payments, if necessary), amounts determined as follows:

(a) February 1, 2001 through February 15, 2001

During the period that begins at 0100 hours on February 1, 2001, and continues through 2400 hours on February 15, 2001, BPA shall deduct an amount equal to the number of megawatthours (MWh) not curtailed multiplied by \$100 per MWh.

(b) February 16, 2001 through Remaining Term of Agreement

During the period that begins at 0100 hours and continues for the remaining term of this Agreement, BPA shall deduct an amount equal to the number of MWh not curtailed multiplied by the daily average heavy load hours (or peak) and average light load hours (or off peak) firm price indices for sales of electricity at delivery points along the Mid-Columbia River during the days that have not been fully curtailed, as published by Dow Jones & Company, Inc.

Amounts under sections 5(a) and 5(b) above shall be calculated following the last day of each month and any deduction shall be reflected in the payment due on the 20th day of the following month. In the event that any monthly amount owed to BPA by the Company exceeds the monthly payment amount specified in section 7 below (Excess Amount Owed), BPA shall bill the Company and the Company shall pay the Excess Amount Owed. The billing provisions of the 2001 Agreement shall apply for any Excess Amount Owed BPA under this section 5. The Company may defer an Excess Amount Owed to the following month, subject to the application of the late payment charge in the 2001 Agreement.

6. BPA PAYMENT FOR POWER MADE AVAILABLE AS A RESULT OF THE CURTAILMENTS

In consideration of the curtailments by the Company described in section 4 above, BPA shall pay the Company the aggregate sum of \$226 million (the "Company Proceeds"), unless this amount is reduced pursuant to section 5 above.

7. PAYMENT TO THE COMPANY

BPA shall pay the amount specified in section 6 above in 12 equal monthly payments. Each monthly payment shall be equal to \$18,833,333, unless this amount is reduced pursuant to section 5 above. Each monthly payment shall be made on the 20th day of the month following a month of curtailment. If such date is not a Business Day, then payment will be made on the next Business Day. Therefore, the first monthly payment shall be made on March 20, 2001. Payments shall be made by wire transfer

to the account designated by the Company. BPA hereby agrees that the Company has the right to make a collateral assignment of its rights to payment hereunder to any lender(s) or its (their) agents for the purpose of collateralizing any loans to the Company the proceeds of which are used for Qualified Expenditures.

8. USE-OF-FACILITIES CHARGES AND UNRECOVERABLE COSTS

(a) Use-of-Facilities Charges

The Company shall be relieved of its obligation to pay Use-of-Facilities Charges during the period that begins on the Effective Date and continues through 2400 hours on December 31, 2001. However, beginning January 1, 2002, the Company shall be obligated to pay the Use-of-Facilities Charge pursuant to the terms of the Transmission Agreement.

(b) Unrecoverable Costs

The Company shall be obligated to pay Unrecoverable Costs pursuant to the terms of the Transmission Agreement.

9. COMPANY OBLIGATIONS TO EMPLOYEES

The Company shall provide compensation, benefits, and other expenditures related to employee layoffs, maintaining additional employees not required for operations at the reduced level and/or job reassignments as a result of reduced Smelter operating levels. By separate agreement and subject to the terms of such separate agreement, an affiliate of the Company has agreed with the United Steelworkers of America to maintain minimum employment levels and/or made special supplemental payments to employees employed by the Smelter as of the Effective Date.

10. QUALIFIED EXPENDITURES

Qualified Expenditures under this Addendum shall be limited to expenditures incurred for one of the three purposes identified in sections 10(a), 10(b), and 10(c) below, which are:

(a) Curtailment and Other Costs

Expenditures or costs related to curtailing production at the Smelter, including:

- (1) Compensation, benefits and other expenditures related to employee layoffs, consistent with the terms of section 9 above.
- (2) The cost of cancellation penalties or other costs of reducing obligations for alumina or other materials, costs associated with covering product delivery obligations that cannot be met from the Smelter operating capacity during the curtailment and other costs directly associated with the shutdown.
- (3) Expenditures on fixed operating and other fixed costs directly related to Smelter operations that cannot be reduced as operating levels are reduced and on debt service, whether or not paid during a curtailment,

(including scheduled repayments of principal and interest and redemption or retirement of debt).

- (4) The transaction costs associated with the Company's acquisition of the Smelter.

(b) **Power, Upgrades, and Job Retention Costs**

Expenditures or costs incurred to secure a future power supply and enhance operations of the Smelter and retain jobs, including:

- (1) Expenditures incurred for the planning, licensing, siting, acquisition and/or construction of conventional or renewable resources to provide power for future Company operations and other customers in the Pacific Northwest.
- (2) Expenditures to purchase or otherwise obtain power from any seller after October 1, 2001 that is in addition to the power made available by BPA for the operation of the Company's Pacific Northwest facilities, pursuant to the 2001 Agreement.
- (3) Expenditures to upgrade the Pacific Northwest facilities of the Company to achieve energy conservation, operating efficiencies, environmental benefits, or to preserve jobs at the Company's Pacific Northwest facilities.
- (4) Investments in plants which create or retain jobs in the Pacific Northwest or for Steelworkers.
- (5) Grants to the Bonneville Environmental Foundation.

(c) **Tax Costs**

Payment of tax liabilities (including any interest and penalties) created by the transactions contemplated by this Addendum, including:

- (1) An allowance for income taxes in an amount equal to any income tax liability of the Company that results from the payment of Company Proceeds by BPA to the Company or the expenditures of such Company Proceeds in accordance with this section that is not fully deductible for tax purposes in the year incurred.
- (2) Any other obligation to pay taxes as a result of this Addendum or entering into a transaction contemplated by this Addendum.

(d) **Estimate of Expenditures**

Upon request by BPA, the Company shall provide BPA a non-binding estimate of amounts to be spent under sections 10(a), 10(b), and 10(c) above, and the timing of when such expenditures will occur.

(e) **Company Proceeds Account**

The Company agrees to establish with a financial institution of its choosing a separate account (the "Company Proceeds Account") into which it will deposit its Company Proceeds which are received from BPA after the Effective Date. The Company shall provide BPA with written notice upon withdrawing funds from the Company Proceeds Account. Such notice shall specify the Qualified Expenditure for which the Company Proceeds will be spent, and will contain detail sufficient for BPA to confirm that such funds are being spent for a Qualified Expenditure. BPA will have the right, at any time subject to reasonable notice, to audit the Company Proceeds Account, and the Company agrees that it will provide BPA with any other documentation requested by BPA that BPA determines is necessary to audit the Company Proceeds Account or to otherwise confirm that the Company Proceeds are being, or were, spent for the purposes described in sections 10(a), 10(b), and 10(c) above. If, as a result of such audit, BPA determines that any disbursement from the Company Proceeds Account has not been expended as contemplated by this section, then subject to section 10(f) below, the Company shall, within 30 days of such finding, pay into the Company Proceeds Account an amount equal to such disallowed disbursement.

(f) **Notice of Decision**

Before finding that a disbursement from the Company Proceeds Account is disallowed, BPA shall: (i) submit written notice to the Company of BPA's belief that the Company has made a disbursement which is not for a Qualified Expenditure, including the information or analysis on which BPA relied; (ii) provide not less than thirty (30) days for the Company to respond to the information provided by BPA; and (iii) provide the Company with BPA's decision, and basis for such decision, after considering the Company's response.

11. SELECTION OF INDEXED RATE BY ALCOA UNDER THE 2001 ALCOA BLOCK POWER SALES AGREEMENT

In the event that:

- (a) Alcoa elects to purchase power under the 2001 Alcoa Block Power Sales Agreement at the Indexed Rate on or prior to the Effective Date;
- (b) in reliance upon the transactions contemplated by this Addendum, BPA fails to enter into a hedge transaction(s) for its obligation to provide 280 MW of power to Alcoa under the 2001 Alcoa Block Power Sales Agreement during the period from October 1, 2001 through September 30, 2006 (the "2001 Contract Term") at the same date and time that BPA enters into a hedge transaction(s) to hedge its obligation to provide the balance of the power BPA is required to provide to Alcoa under the 2001 Alcoa Block Power Sales Agreement (the "Hedge Transaction Time"); and
- (c) the Assignments thereafter do not become effective by January 31, 2001, or become effective and Longview elects to purchase power at the Indexed Rate

prior to January 31, 2000, Longview shall pay BPA upon request an amount equal to the difference, if any, between:

- (i) the cost to BPA of the hedge transaction(s) BPA would have entered into at the Hedge Transaction Time for its obligation to provide 280 MW of power to Alcoa under the 2001 Alcoa Block Power Sales Agreement during the 2001 Contract Term or its obligation to provide 280 MW of power to Longview under the 2001 Agreement during the 2001 Contract Term, as the case may be; and
- (ii) the cost to BPA of the hedge transaction(s) BPA actually entered into for its obligation to provide 280 MW of power to Alcoa under the 2001 Alcoa Block Power Sales Agreement during the 2001 Contract Terms or its obligation to provide 280 MW of power to Longview under the 2001 Agreement during the 2001 Contract Term, as the case may be.

12. FEDERAL POWER SERVICE AFTER SEPTEMBER 30, 2006

The Company agrees that it will not argue in any legal or political forum that it has a statutory right to, or should be allocated any direct or indirect service of Federal power after September 30, 2006.

13. NOTICES

Any notice required under this Agreement shall be in writing and shall be delivered:

(a) in person; (b) by a nationally recognized delivery service; or (c) by United States Certified Mail. Notices are effective when received. Either party may change its address for notices by giving notice of such change consistent with this section.

If to Longview:

Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294
Attn: John Kolleng

Phone: 708 387-8523

FAX: 708 387-8919

E-Mail: john.kolleng@mccookmetals.com

If to BPA:

Bonneville Power Administration
P.O. Box 3621
905 NE. 11th Avenue
Portland, OR 97208-3621

Attn: Mark E. Miller – PT-5
Account Executive

Phone: 503-230-4003

FAX: 503-230-3681

E-Mail: memiller@bpa.gov

14. UNDERLYING PROVISIONS

Any disputes arising under this Agreement shall be resolved in accordance with the provisions of section 14 of the 2001 Agreement.

15. RELIEF FROM TAKE-OR-PAY OBLIGATION

During the period that begins on February 1, 2001, and continues through September 30, 2001, the Company shall be relieved of its take-or-pay obligation for the portion of Contract Demand assigned to the Company by Alcoa under the

1996 Reynolds/Alcoa Power Sales Agreement. Under the 2001 Agreement, the Company shall be relieved of its take-or-pay obligation for the amounts curtailed pursuant to section 4 above.

16. COUNTERPARTS

This Agreement may be executed in two counterparts, each of which shall constitute an original and which together shall constitute one and the same agreement.

17. SIGNATURES

The signatories represent that they are authorized to enter into this Agreement on behalf of the Party for whom they sign.

LONGVIEW ALUMINUM, LLC

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By /S/ JOHN L. KOLLENG

By /S/ MARK E. MILLER
Account Executive

Name John L. Kolleng
(Print/Type)

Name Mark E. Miller
(Print/Type)

Date 1/19/01

Date 1/19/01

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POWER SALES AGREEMENT
between the
UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
acting by and through the
BONNEVILLE POWER ADMINISTRATION
and
LONGVIEW ALUMINUM, LLC

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This POWER SALES AGREEMENT, executed February __, 2001, by the UNITED STATES OF AMERICA (Government), Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA or Bonneville), and LONGVIEW ALUMINUM, LLC (Company), a limited liability company organized under the laws of the State of Delaware. BPA and the Company are hereinafter sometimes referred to individually as "Party" and collectively as "Parties."

W I T N E S S E T H:

WHEREAS pursuant to section 5(d) of the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), BPA is authorized to sell power to the Company; and

WHEREAS the Company is the successor in interest of Reynolds Metals Company to the primary aluminum plant located in Longview, Washington and its business; and

WHEREAS Reynolds Metals Company has assigned the Company a portion of the Contract Demand under Contract No. 95MS-94865; and

WHEREAS BPA desires to sell, and the Company desires to purchase, Firm Power pursuant to the terms and conditions of this Agreement; and

WHEREAS BPA is authorized pursuant to law to market electric power and energy generated at various Federal hydroelectric projects in the Pacific Northwest or acquired from other resources, to construct and operate transmission facilities, to provide transmission and other services, and to enter into agreements to carry out such authority;

NOW, THEREFORE, the Parties hereto agree as follows:

1. EXECUTION DATE AND TERM

(a) **Execution Date**

This Agreement takes effect on the date signed by the Parties (Execution Date).

(b) **Term**

This Agreement shall continue in effect until 2400 hours on September 30, 2001 (Expiration Date), unless terminated earlier as provided herein. All obligations incurred hereunder shall be preserved until satisfied.

2. TERMINATION OF THIS AGREEMENT

(a) **Excused Termination**

The Company shall have the right to terminate this Agreement, subject to the following terms:

(1) **Conditions Over Which BPA Has Control That Allow for Excused Termination**

The Company may terminate this Agreement upon 7 days' notice to BPA if, as determined under section 12 or by a Federal Court, BPA has not cured the breach within 30 days following such determination.

(2) **Conditions Over Which BPA Does Not Have Control That Allow for Excused Termination**

The Company may terminate this Agreement upon 7 days' notice to BPA if any term, covenant, or condition of this Agreement or the Rate Schedule or the performance of such term, covenant, or condition, is held to be invalid or unenforceable, or enjoined by an order of a court, and such order is not stayed, pending any appeals.

(b) **Obligations Upon Expiration or Termination**

(1) **Obligations Upon Expiration or Termination for Any Reason**

Upon expiration of this Agreement at 2400 hours on September 30, 2001, or upon termination of this Agreement pursuant to section 2(a), or for any other reason, the following terms and conditions shall apply:

- (A) BPA shall make the BPA substation and/or transmission facilities whose primary purpose is to serve the Company's load available for use of the Company for deliveries of power from BPA, or from third parties under BPA's then-current transmission tariffs.

The Company will reimburse BPA pursuant to the terms and conditions of Exhibit F for the unrecoverable cost, if any, in BPA substation or transmission facilities whose primary purpose is to serve the Company's load during the life of this Agreement, to the extent that BPA cannot mitigate such cost. Continued transmission service at the same level of service as purchases hereunder through and at such facilities under BPA's then-current transmission tariffs is mitigation for unrecoverable cost under this Agreement.

If BPA does not have another use at the site for such facilities to serve other BPA customers, and the Company makes an offer to purchase such facilities for the unamortized investment in the facilities as determined pursuant to Exhibit F plus the appraised value of the property on which the facilities are located, and BPA rejects the offer, then the Company shall not be required to reimburse BPA for any unrecoverable costs pursuant to Exhibit F.

- (B) If the Company is served by transfer over third-party facilities, the Company shall pay any amount BPA is obligated to pay the third party under the transfer arrangement, pursuant to the terms and conditions of Exhibit F.
- (C) If BPA proposes new investments in substation or transmission facilities whose primary purpose is to serve the Company's load, and the Company consents to such investment, Exhibit F will be amended to include such investments. The Company's consent to such investments shall not be unreasonably withheld.

(2) **Obligations After Expiration or Termination Pursuant to Section 2(a)(1)**

After expiration of this Agreement, or if the Company terminates this Agreement pursuant to section 2(a)(1), then BPA shall not charge, except to the extent specified in section 2(b)(1), the Company or a third party doing business with the Company any amount, charge, or fee of any nature whatever based on the purchases made by the Company under this or any prior power purchase agreements between the Company and BPA or based on the termination or reduction of the amount of power purchased by the Company under this Agreement or any such prior agreements. Nothing in this Agreement is intended to imply that the Company would have any obligation to pay such charges under any circumstances or to pay BPA any amounts except as expressly provided in this Agreement. This provision is a material term and essential to the Company having entered into this Agreement.

3. DEFINITIONS

- (a) "Agreement" means this Power Sales Agreement, Contract No. 01PB-10768.
- (b) "Contract Demand" means the maximum integrated hourly rate of delivery assigned to the Company under Contract No. 95MS-94865, and is equal to 420 megawatts (MW).
- (c) "Contract Year" means the period that begins on October 1 and ends on the following September 30.
- (d) "Control Area" or "Load Control Area" means the electrical (not necessarily geographical) area within which a controlling utility operating under all North American Electric Reliability Council standards has the responsibility to adjust its generation on an instantaneous basis to match internal load and power flow across interchange boundaries to other Control Areas. A utility operating a Control Area is called a "controlling utility."

- (e) "Curtailment Agreement" means Contract No. 01PB-10786 between BPA and the Company.
- (f) "Execution Date" means the date set forth in section 1(a).
- (g) "FERC" means the Federal Energy Regulatory Commission, or its successor.
- (h) "Firm Energy" means the Federal energy that the Company has agreed to purchase from BPA under this Agreement.
- (i) "Firm Power" means the monthly amounts of Demand and Firm Energy (HLH and LLH) purchased by the Company under this Agreement.
- (j) "Heavy Load Hours" or "HLH" means those hours that begin at 6 a.m. and end at 10 p.m., Monday through Saturday.
- (k) "Light Load Hours" or "LLH" means all hours that are not HLH.
- (l) "Non-Federal Service" means, for the purposes of section 18(a) of this Agreement, the monthly amounts of demand, HLH energy and LLH energy that the Company chooses to acquire from non-Federal entities to serve a portion of its Plant Load during the term of this Agreement. The Company agrees that such amounts must be supplied to the Plant Load. The Company may purchase additional amounts of non-Federal energy that will not be used in calculating the amount of curtailed energy.
- (m) "Plant Load" means the total electrical energy load at Company facilities eligible for BPA service during any given time period whether the Company has chosen to serve its load with BPA power or non-Federal power.
- (n) "Process Load" means, for an aluminum facility or a chlor-alkali facility, the electrolytic load.
- (o) "Rate Schedule" means the Industrial Firm Power Rate Schedule (IP-96.5), the Point-to-Point Transmission Rate Schedule, exclusive of the Delivery Charge therein (PTP-96.5), Ancillary Products and Services Rate Schedule (APS-96), a rate schedule that includes the fixed curtailment fee for the option specified in section 18(a), the Firm Power Products and Services Rate Schedule (FPS-96), and the General Rate Schedule Provisions established by BPA, and applicable to sales under this Agreement.
- (p) "Smelting Power" means power that is not Station Service Power.
- (q) "Station Service Power" means power that is used to serve that portion of Plant Load that is not being used to smelt aluminum. Examples of Station Service Power uses include lighting, computers, security, waste water pumping, and equipment for plant renovation.

- (r) "Unauthorized Increase Charge" means the charge contained in section II.R. of BPA's 1996 General Rate Schedule Provisions, as revised.

4. EXHIBITS--INTERPRETATION

Exhibit A (General Contract Provisions), Exhibit B (Fees for Remarketing), Exhibit C (Power Rates, Including BPA's 1996 Wholesale Power and Transmission Rate Schedules), Exhibit D (Monthly Amounts of Firm Power), Exhibit E (Points of Delivery), Exhibit F (Unrecoverable Costs and Transfer Costs), Exhibit G (Stability Reserve Scheme(s)), Exhibit H (Arbitration Procedures), and Exhibit I (Use-of-Facilities Charge) are attached hereto and made a part of this Agreement. If there is a conflict between the body of this Agreement and any exhibit, then the body of this Agreement shall prevail. If there is a conflict between Exhibit C and any other exhibit, then Exhibit C shall prevail.

5. CONTRACT REVISIONS AND WAIVERS

(a) Amendments and Exhibit Revisions

Except as otherwise expressly provided to the contrary in this Agreement, the provisions of the body of this Agreement may be amended only by the mutual written agreement of the Parties hereto subsequent to the date of execution of this Agreement.

(b) Exhibit Revisions

(1) Revision of Exhibits A through H

Except as otherwise expressly provided to the contrary in this Agreement, the provisions of Exhibits A through H may be revised only by the mutual written agreement of the Parties hereto subsequent to the date of execution of this Agreement.

(2) Revision of Exhibit I

Exhibit I may be revised by BPA in the same manner and under the same terms and conditions for revision of the use-of-facilities charge under the IR Transmission Agreement, as amended or replaced, except as limited by the terms and conditions of Exhibit I.

(c) Waivers

- (1) Failure by a Party to exercise any right, remedy, or option hereunder or delay in exercising such right, remedy, or option shall not operate as a waiver by such Party of its right to exercise any such right, remedy, or option prior to the time such right, remedy, or option expires by an express term of this Agreement; nor shall such failure or delay by such Party operate as a waiver of any right, remedy or option that may arise from a subsequent event under the relevant provisions of this Agreement.

- (2) The Parties may agree to waive any provision of this Agreement to address temporary problems or unforeseen circumstances. Any such waiver shall be in writing and shall clearly specify the period of time for which the waiver is in effect. The consent of the other Party to such a waiver shall not be unreasonably withheld. No Party shall claim that the granting of a waiver sets a binding precedent for future waivers, even if similar waivers are granted throughout the term of this Agreement.

6. PURCHASE AND SALE OF ENERGY

(a) Mutual Obligation

Prior to 2400 hours on February 28, 2001, all power delivered under this Agreement shall be billed under the IP-96 Rate Schedule. Under the Curtailment Agreement, the Company has curtailed 420 MW of Contract Demand during the period starting at 2400 hours on February 28, 2001, and continuing for the remaining term of this Agreement. However, under this Agreement, beginning March 1, 2001, BPA shall sell and deliver to the Company, and the Company shall purchase from BPA Station Service Power, as metered pursuant to this Agreement, and at the rates specified in section 2 or section 3 of Exhibit C. After 2400 hours on February 28, 2001, and continuing until the first hour that the hourly rate of delivery is 5 MW or less on an hour, any power purchased under this Agreement that exceeds 5 MW shall be at the rate specified in section 4 of Exhibit C. After the first hour that the hourly rate of delivery is 5 MW or less on an hour, the Unauthorized Increase Charge shall apply to any amounts delivered on any hour that exceeds 5 MW.

(b) Maximum Demand for Transmission

The maximum level of demand for transmission of Station Service Power for every month for the remaining term of this Agreement is 5 MW. After 2400 hours on February 28, 2001, any demand for transmission that exceeds 5 MW shall be subject to the Unauthorized Transmission Increase Charge under BPA's Point-to-Point Transmission Service Tariff. Except as set forth in this section 6(b) the Company shall not be required to pay BPA for transmission services or use-of-facilities charges.

7. RATES AND CHARGES

The rates for all power provided by BPA under this Agreement shall be as specified in Exhibit C.

8. BILLING AND PAYMENT

Bills for power shall be rendered monthly by BPA. Failure to receive a bill shall not release the Company from liability for payment. If requested by the Company, BPA will electronically transmit the Company's power bill to the Company on the issue date of the bill, provided the Parties have compatible electronic equipment. BPA may elect to electronically transmit only that portion of the bill showing the amount

owed. If the entire bill is not provided by electronic means, BPA will also send the Company a complete copy of its power bill by mail.

(a) **Due Date**

Bills shall be due by close of business on the 20th day after the date of the bill (Due Date). This requirement also holds for revised bills (see section 8(h)). If the 20th day is a Saturday, Sunday, or Federal holiday, the Due Date shall be the next business day.

(b) **Payments of \$50,000 or More**

(1) If the Company's monthly bill from BPA is \$50,000 or more, the Company must pay by wire transfer using procedures established by BPA's Financial Services Group, unless the Company has obtained the right to pay by mail as provided in section 8(b)(2). Wire transfer amounts are due and payable on the Due Date.

(2) The Company may pay its bill by mail even if the amount exceeds \$50,000, provided the following conditions have been met:

- (A) the Company gives BPA 30 days' notice of its intent to pay by mail;
- (B) the Company ensures that BPA receives full payment by the above-stated Due Date; and
- (C) the Company has not incurred late payment charges while paying its bills by mail.

If the Company incurs a late payment charge while paying its bills under this payment provision, BPA may rescind the Company's right to pay bills of \$50,000 or more by mail. The Company would then be required to pay by wire transfer as provided in section 8(b)(1).

(c) **Payments of Less than \$50,000**

If the Company's monthly bill from BPA is less than \$50,000, the Company may pay the bill by mail. Payment for such bills will be accepted as timely if the payment is postmarked by the Due Date. Payments shall be mailed to:

Bonneville Power Administration
P.O. Box 6040
Portland, OR 97228-6040

(d) **Computation of Bills**

Bills for products and services purchased under this Agreement shall be rounded to whole dollar amounts, by eliminating any amount which is less than 50 cents and increasing any amount from 50 cents through 99 cents to the next higher dollar.

(e) **Estimated Bills**

At its option, BPA may elect to render an estimated bill for a month to be followed at a subsequent billing date by a final bill for that month. Such estimated bill shall have the validity of, and be subject to, the same payment provisions as a final bill.

(f) **Late Payment**

Bills not paid in full on or before close of business on the Due Date shall be subject to an interest charge of one-twentieth percent (0.05 percent), applied each day to the unpaid balance. This interest charge shall be assessed on a daily basis until such time as the unpaid amount is paid in full.

Remittances received by mail which are not required to be paid by wire transfer will be accepted without assessment of the charges referred to in the preceding paragraph of this section 8(f), provided the postmark indicates the payment was mailed on or before the Due Date.

(g) **Disputed Bills**

In the event of a billing dispute, the Company agrees to note the disputed amount and pay its power bill in full by the Due Date. The amount billed is subject to late payment charges until paid in full. If it is determined that the Company is entitled to a refund of any portion of the disputed amount, then BPA will make such refund with interest computed from the date of receipt of the disputed payment. Interest will be computed using an interest rate of one-twentieth percent (0.05 percent) applied each day to the disputed payment amount. BPA shall not be liable for interest prior to the time the Company notifies BPA of the dispute. Disputed bills are subject to the terms and conditions of section 12 of this Agreement.

(h) **Revised Bills**

As necessary, BPA may render revised bills. The date of a revised bill shall be its issue date.

- (1) If the amount of the revised bill is more than the amount of the previous bill, the previous bill remains due on its Due Date, and the additional amount is due on the Due Date of the revised bill.
- (2) If the amount of the revised bill is less than the amount of the previous bill, the obligation to pay the previous bill is satisfied by payment of the revised bill on the Due Date of the previous bill.
- (3) If the revised bill changes the Party to whom money is due, the previous bill is canceled and the amount owed the other Party is due on the Due Date of the revised bill.
- (4) If payment of the previous bill results in an overpayment, a refund is due on the later of: (A) the Due Date of the revised bill; or (B) 20 days after the receipt of the payment for the original bill.

9. LOAD REGULATION, UNBUNDLED PRODUCTS, AND OTHER TRANSMISSION PRODUCTS

(a) Purchase of Load Regulation

If the Company is within BPA's Control Area, or if BPA provides load regulation services to the Company through a third party, the Company shall purchase load regulation from BPA. The charge for load regulation shall be as specified in section II.D. of BPA's 1996 Ancillary Products and Service Rate Schedule.

(b) Moving Out of BPA's Control Area

The Company may elect to discontinue the purchase of load regulation from BPA by notifying BPA of its intent to either:

- (1) establish its own Control Area consistent with the then-applicable requirements of the North American Electric Reliability Council (NERC), the Western Systems Coordinating Council (WSCC), and the Northwest Power Pool (NWPP); or
- (2) locate in another Control Area operating in accordance with NERC, WSCC, and NWPP standards.

(c) Schedule for Changing Control Areas

- (1) Upon notice by the Company that the Company intends to move out of BPA's Control Area, BPA shall use best efforts to effectuate the change of Control Area within a reasonable period of time from the date of request; **provided, however**, that the Company obtains the full cooperation of any third party to take all steps required for BPA to accomplish the change consistent with applicable NERC, WSCC, and NWPP standards.
- (2) Within a reasonable time, which may be less and shall not exceed 60 days following receipt of the Company's notice of intent to change Control Areas, BPA shall provide the Company with:
 - (A) an estimate of the schedule for making the necessary changes, and
 - (B) an estimate of the costs that BPA will incur in making the required changes.
- (3) BPA shall continue to charge the Company for load regulation until the date that another Control Area assumes full Control Area responsibility.
- (4) If the Company moves out of BPA's Control Area, the Parties shall schedule Firm Power in accordance with then-existing WSCC

scheduling practices. The Parties shall amend the appropriate provisions of this Agreement to reflect such practices.

(d) **Unbundled Products and Other Transmission Services**

BPA shall offer to the Company the ancillary services, the network integration transmission product, the point-to-point transmission product, and the intertie transmission products that BPA offers to its utility customers. BPA may offer to the Company other unbundled services. If the Company elects to purchase such products, the Parties agree to amend the appropriate provisions of this Agreement.

(e) **Eccentric Loads**

None of the Company's facilities operating as of the Effective Date shall be billed as Eccentric Loads.

(f) **Unbundling of Assignability in the Point-to-Point Transmission Rate**

If BPA offers a point-to-point transmission rate schedule that offers the right to purchase point-to-point transmission that is not assignable, the Company shall be eligible to take service under such schedule if the Company chooses to purchase such product. The Parties agree to amend the appropriate provisions of this Agreement to provide for transmission charges for Excess Firm Energy remarketed over BPA's network facilities at BPA's standard tariffs for point-to-point service.

10. PROVISIONS RELATING TO DELIVERY OF FIRM POWER

(a) **Delivery to Company's Firm Load**

BPA shall deliver Firm Power to the Company's firm load at the Point(s) of Delivery specified in Exhibit E.

(b) **Other Provisions Relating to Delivery**

Other provisions relating to delivery shall be as specified in Exhibit A.

11. ASSIGNMENT OF AGREEMENT

This Agreement shall inure to the benefit of, and shall be binding upon the respective successors and assigns of the Parties. This Agreement or any interest therein may be transferred or assigned by either Party to another only upon the written consent of the other Party, which shall not be unreasonably withheld, except as specifically provided in this section. The consent of BPA is hereby given to: (a) any assignment to a successor in interest of the Company that agrees to perform the obligations of the Company under this Agreement; and (b) any security assignment or other like financing instrument which may be required under terms of any mortgage, trust, security agreement or holder of such instrument of indebtedness made by and between the Company and any mortgagee, trustee, secured party, subsidiary of the Company or holder of such instrument of indebtedness, as security for bonds or other indebtedness of such Company, present or future. Such mortgagee, trustee, secured party, subsidiary, or holder may realize

upon such security in foreclosure or other suitable proceedings, and succeed to all right, title, and interests of such Company.

12. GOVERNING LAW AND DISPUTE RESOLUTION

- (a) This Agreement shall be interpreted consistent with and governed by Federal law. Final actions subject to section 9(e) of the Northwest Power Act are not subject to binding arbitration and shall remain within the exclusive jurisdiction of the United States Ninth Circuit Court of Appeals. Any dispute regarding any rights of the Parties under any BPA policy, including the implementation of such policy, shall not be subject to arbitration under this Agreement. Longview reserves the right to seek judicial resolution of any dispute arising under this Agreement that is not subject to arbitration under this section 12. For purposes of this section 12 BPA policy means any written document adopted by BPA as a final action in a decision record or record of decision that establishes a policy of general application, or makes a determination under an applicable statute. If either Party asserts that a dispute is excluded from arbitration under this section 12, either Party may apply to the Federal court having jurisdiction for an order determining whether such dispute is subject to arbitration under this section 12.
- (b) Any contract dispute or contract issue between the Parties arising out of this Agreement, except for disputes that are excluded through section 12(a) above, shall be subject to binding arbitration. The Parties shall make a good faith effort to resolve such disputes before initiating arbitration proceedings. During arbitration, the Parties shall continue performance under this Agreement pending resolution of the dispute, unless to do so would be impossible or impracticable.
- (c) Any arbitration shall take place in Portland, Oregon, unless the Parties agree otherwise. The CPR Institute for Dispute Resolution's arbitration procedures for commercial arbitration, Non-Administered Arbitration Rules (CPR Rules), shall be used for each dispute; **provided, however,** that:
 - (1) the Parties shall have the discovery rights provided in the Federal Rules of Civil Procedure unless the Parties agree otherwise; and
 - (2) for claims of \$1 million or more, each arbitration shall be conducted by a panel of three neutral arbitrators. The Parties shall select the arbitrators from a list containing the names of 15 qualified individuals supplied by the CPR Institute for Dispute Resolution. If the Parties cannot agree upon three arbitrators on the list within 20 business days, the Parties shall take turns striking names from the list of proposed arbitrators. The Party initiating the arbitration shall take the first strike. This process shall be repeated until three arbitrators remain on the list, and those individuals shall be designated as the arbitrators. For disputes involving less than \$1 million, a single neutral arbitrator shall be selected consistent with section 6 of the CPR Rules.

- (d) Except for arbitration awards which declare the rights and duties of the Parties under this Agreement, the payment of monies shall be the exclusive remedy available in any arbitration proceeding. Under no circumstances shall specific performance be an available remedy against BPA. The arbitration award shall be final and binding on both Parties, except that either Party may seek judicial review based upon any of the grounds referred to in the Federal Arbitration Act, 9 U.S.C. §1-16 (1988). Judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof.
- (e) Each Party shall be responsible for its own costs of arbitration, including legal fees. The arbitrators may apportion all other costs of arbitration between the Parties in such manner as they deem reasonable taking into account the circumstances of the case, the conduct of the Parties during the proceeding, and the result of the arbitration.

13. FORCE MAJEURE

(a) **Definition of Force Majeure**

“Force Majeure” means an event beyond the reasonable control and without the fault or negligence of the Party claiming Force Majeure. Force Majeure includes but is not limited to:

- (1) strikes or work stoppages, including threats of strikes or imminent strikes, the settlement of which shall be at the sole discretion of the Party subject to the strike;
- (2) events reasonably beyond the control of the Parties (including those events creating actual or imminent safety problems) and which the Party could not, by exercise of reasonable diligence and foresight, have been expected to avoid;
- (3) floods or other natural disasters; or
- (4) order or injunction entered by any court having competent subject matter jurisdiction or any order of an administrative officer, other than an officer of BPA or the Department of Energy, which cannot be stayed, suspended, or set aside pending review of such order.

Neither the unavailability of funds or financing, nor conditions of national or local economies or markets shall be considered a Force Majeure. The economic hardship of either Party shall not constitute a Force Majeure.

(b) **Obligations of the Parties**

Each Party shall notify the other as soon as possible of any Force Majeure which may, in any way, affect the delivery of Firm Power under this Agreement.

To the extent either Party is prevented, for the duration of the Force Majeure, from meeting its obligations under this Agreement by a Force Majeure, both Parties shall be excused from their respective obligations without liability to the other for the period reasonably required to restore the affected Party's operations to conditions existing prior to the occurrence of the Force Majeure.

14. NOTICES

Unless the Agreement requires otherwise, any notice, demand, or request provided for in this Agreement, or served, given, or made in connection with it, shall be in writing and shall be deemed properly served, given, or made if delivered in person or sent by telegraph, or by acknowledged delivery, or sent by registered or certified mail, postage prepaid, to the persons specified below:

To the Company:

John Kolleng
Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294
Phone: 708-387-8523
FAX: 708-387-8919
E-Mail: johnkolleng@mccookmetals.com

To BPA:

Mark E. Miller
Account Executive
U.S. Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621
Phone: 503-230-4003
FAX: 503-230-3681
E-Mail: memiller@bpa.gov

Any Party may, by written notice to the other Party, change the designation or address of the person so specified as the one to receive notices pursuant to this Agreement.

15. HOLD HARMLESS

Each Party hereto hereby assumes all liability for injury or damage to persons or property arising from the act or neglect of its own employees, agents or contractors and shall indemnify and hold the other Party harmless from any liability arising therefrom. Each Party releases the other Party from, and shall indemnify the other Party for, any such liability. As used in this section: (a) the term "Party" means, in addition to such Party itself, its directors, officers, and employees; (b) the term "damage" means all damage, including consequential damage; and (c) the term "person" means any person, including those not connected with either Party to this Agreement.

16. DAMAGES FOR FAILURE BY BPA TO DELIVER

In the event BPA fails to deliver the hourly amounts of Firm Energy scheduled by the Company to the plant's Point of Delivery, and such delivery is not excused by section 4(f) of Exhibit A, BPA shall pay the Company (on the date payment by the Company for the Firm Energy would otherwise have been due under this Agreement):

- (a) an amount for each MWh of such nondelivery equal to the price at which the Company is, or would be, able to obtain comparable supplies of power at a commercially-reasonable price (adjusted to reflect differences in transmission costs, if any) minus the applicable payment under this Agreement; **provided**, if such sum as determined above is negative then it shall be deemed to equal zero; or
- (b) liquidated damages as provided for an Event which exceeds an Event Magnitude Limit, if the Company or its agent is unable, notwithstanding its diligent effort to do so, to obtain replacement power.

17. OBLIGATIONS DURING PERFORMANCE OF THIS AGREEMENT

During the course of performance of this Agreement by the Company, BPA shall not charge the Company or a third party doing business with the Company any amount, charge or fee of any nature whatever based on the historical purchases made by the Company under any prior power purchase agreements between the Company and BPA. This provision is a material term essential to the Company having entered into this Agreement.

18. THIRD PARTIES

The rights, obligations, and benefits of this Agreement shall inure solely to the signatories and the terms, covenants, and conditions herein shall not be interpreted to create, nor are they intended to create any right, benefit, or obligation to any third party whatsoever.

19. SEVERABILITY

If any term, covenant, or condition of this Agreement or the application of any such term, covenant, or condition shall be held invalid as to any person, entity, or circumstance by any court of competent jurisdiction, then such term, covenant, or condition shall remain in force and effect to the maximum extent permitted by law, and all other terms, covenants, and conditions of this Agreement and their application shall not be affected thereby but shall remain in force and effect unless the court finds that such provision is not severable from all other provisions of this Agreement. The Company's right to terminate this Agreement under section 2(a)(2) shall not be limited by any finding that any term, covenant, or condition of this Agreement is severable.

20. ENTIRE AGREEMENT

The terms and provisions contained in this Agreement, including the exhibits and all referenced documents, constitute the entire agreement between the Parties and supersede all previous communications, representations, or agreements, either oral

or written, between the Parties with respect to the subject matter of this Agreement. Except as expressly provided in this Agreement, this Agreement shall not supersede agreements with respect to the Prior Contract.

21. SIGNATURE CLAUSE

The signatories hereto represent that they have been duly authorized to enter into this Agreement on behalf of the Party for whom they sign.

IN WITNESS WHEREOF, the Parties have executed this Agreement.

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By _____

Name _____
(Print / Type)

Date _____

LONVIEW ALUMINUM, LLC

By _____

Name _____
(Print / Type)

Title _____

Date _____

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Exhibit A
GENERAL CONTRACT PROVISIONS

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1. DEFINITIONS

- (a) “Federal System” or “Federal System Facilities” means the facilities of the Federal Columbia River Power System (FCRPS). For purposes of this Agreement, the FCRPS includes:
- (1) the Federal Government’s generating facilities in the Pacific Northwest for which BPA is the designated marketing agent;
 - (2) the Federal Government’s facilities under BPA’s jurisdiction;
 - (3) any other facilities which BPA has a right to use by contract, license, or treaty; and
 - (4) any other facilities from which BPA receives generating capability.
- (b) “Prudent Electric Utility Practice” or “Prudent Utility Practice” means, at any particular time, the generally accepted practices, methods, and acts in the electric utility industry that would achieve the desired result. If there

are no such practices, methods, and acts, Prudent Electric Utility Practice means the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result consistent with reliability and safety considerations.

2. METERING

(a) Metering Costs

The Parties shall bear the costs of metering as provided in sections 2(a)(1) and 2(a)(2), except as otherwise specifically provided in section 2(b).

(1) Metering of Existing Facilities

BPA shall bear the costs of any meter replacement or new meter installation at any Company facility that is used for delivery of Federal power and which is an existing facility on the Effective Date of this Agreement.

(2) Metering of New Company Facilities

The Company shall pay all costs associated with installing BPA-approved metering at the following types of locations established by the Company after the Effective Date of this Agreement:

- (A) all points of generation integration;
- (B) all automatic generation control (AGC) interchange points; and
- (C) all other points of electrical interconnection, including convenience points of delivery.

(b) Metering Requirements at Company Facilities

(1) Points of Automatic Generation Control Interchange

The following metering is required for each AGC interchange point (a point on a Control Area boundary);

- (A) telemetering of the kilowatts (kW) at such point; and
- (B) hourly metering capable of providing summaries, at the end of each clock hour, of the kilowatthours (kWh) and kilovoltampere reactive hours (kVARh) (lagging and leading) exchanged during the previous hour.

(2) Other Electrical Connections

All electrical interconnections other than AGC interchange points and points of generation integration shall be metered on an hourly basis for both kW/kWh and kilovoltamperes reactive (kVAR)/kVARh (lagging and leading) quantities. BPA shall pay for any upgrades or

replacement of required meters on facilities existing on the Effective Date; the Company shall pay to meet BPA's metering requirements for all new facilities.

(3) **Eccentric Loads**

At its own expense, the Company shall separately meter each of its eccentric loads, which are large loads that have an extremely steep ramp rate (more specifically defined in BPA's Billing Policy or product catalog). Eccentric loads shall be metered using telemetering equipment or the equivalent.

(c) **Metering Standards**

- (1) All meters at new installations where the interconnections are "normally closed" shall be capable of providing data electronically unless BPA otherwise agrees.
- (2) BPA will determine whether hourly data or meter slips are required for those interconnections that are normally operated in the "open" position.
- (3) All meters providing data electronically shall be compatible with BPA's electronic metering systems.
- (4) As of the Effective Date, BPA principally uses a telemetering system, a kWh system, and BPA's Revenue Metering System (RMS) for metering. There are acceptable alternatives to each of these specific systems. The Company shall consult with BPA to ensure compatibility of any Company meter with BPA's then-current metering system.
- (5) The Company's meters shall meet BPA's accuracy standards as described in the BPA's Billing Policy.
- (6) The Company shall coordinate with BPA to determine BPA's information and communication needs when designing future meter installations.
- (7) BPA-installed metering shall be used exclusively for BPA purposes unless otherwise agreed.
- (8) If the required metering capability is not installed by the Effective Date and until its installation, the Parties shall calculate the hourly quantities using a default methodology specified in the Billing Policy, unless a different methodology is specified in the Points of Delivery Exhibit.

(d) **Data Reporting Requirements**

- (1) Telemetered data shall be furnished to BPA continuously on a real-time basis via 10-30 hertz telemetry, BPA's Supervisory Control and Data Acquisition system, the Interutility Data Exchange system, or other data collection method as determined by BPA.
- (2) Hourly metered data for all points of generation integration and points of AGC interchange shall be furnished to BPA at the end of each clock hour. Data shall be reported through the kWh metering system or an approved alternative.
- (3) Hourly metered data for:
 - (A) points of delivery (excluding points of AGC interchange); and
 - (B) eccentric loadsshall be furnished to BPA at least once a month, at the end of the Company's billing cycle.
- (4) The Company shall submit a meter slip to BPA for all metering points which do not currently have:
 - (A) metering capable of providing hourly kWh and kVArh quantities; or
 - (B) electronic communications for such metered amounts (through the RMS or equivalent).

(e) **Metering Tests**

Each Party shall inspect and test each of its meters used to measure power flowing between the Parties:

- (1) at least once every 2 years; and
- (2) upon the request of the other Party.

Each Party shall give reasonable notice to the other stating when a test or inspection will occur. The other Party has the right to have one or more representatives present at such test or inspection.

3. FACILITIES

(a) Ownership of Facilities

- (1) Except as otherwise expressly provided, equipment or salvable facilities owned by one Party and installed on the property of the other shall remain the property of the owner.
- (2) Each Party shall identify all movable equipment and other salvable facilities which it installed on the other's property by permanently affixing suitable markers plainly identifying the owner. Within a reasonable time after such installation, and again after any subsequent modification of such installation, representatives of the Parties shall jointly prepare an itemized list of said movable equipment and salvable facilities.

(b) Access to Facilities

Whenever one Party has facilities or equipment located on, or planned to be located on, the other's property, the property owner shall give the facility or equipment owner permission to access such property for any reasonable purpose related to such facilities or equipment, including removal. The property owner shall also provide accurate and up-to-date information on those facilities and equipment owned by the property owner, to the extent needed by the other Party to accomplish its purpose.

Each Party shall have the right, at any reasonable time, to enter the other's property to read meters and inspect the other Party's electric installation. The inspecting Party shall observe written instructions and posted rules and such other necessary instructions or inspection standards to which the Parties have agreed. Only those electric installations used to deliver power that BPA sells or wheels to the Company shall be subject to inspection.

The inspecting Party shall be liable for any injury, loss, damage, or accident resulting from their inspection.

(c) General Environmental Provisions

Each Party shall be responsible for the cost of compliance with the requirements of all applicable Federal State, and local environmental laws for its own facilities, even when those facilities are located on the property of the other Party.

4. DELIVERIES

(a) Character of Service

Unless otherwise provided in this Agreement, BPA shall make electric power available to the Company in the form of 3-phase alternating current, at a nominal frequency of 60 hertz.

(b) **Voltage Levels**

(1) **Voltage Levels on the Transmission System**

BPA has the right to operate its transmission system as provided below and cannot accept any restriction of that right.

(A) **500 Kilovolt System**

BPA shall normally operate its 500 kilovolt (kV) transmission system in a range from the nominal voltage to 10 percent above the nominal voltage (500 kV to 550 kV).

(B) **115-345 Kilovolts**

BPA shall normally operate its 115-345 kV transmission system within 5 percent of the nominal voltage. BPA normally operates in the range from nominal voltage to 5 percent above, but reserves the right to operate in the lower half of the range. Sometimes BPA will allow some of its transmission lines or facilities to operate above or below the normal voltage limits where no substantive damage will occur from this operation.

(2) **Voltage Levels at Points of Delivery**

When the nominal voltage at the Company's point of delivery is 115 kV or more, BPA shall deliver power to the Company at the operating voltage of the transmission system. If the nominal voltage at the Company's point of delivery is below 115 kV, the delivery voltage may differ from the operating voltage of the transmission system as a result of the "turns ratio" and impedance of the transformer providing the delivery service.

(3) **Voltage Schedules**

Voltage schedules are necessary for the efficient and reliable transmission of electrical power. BPA will establish a voltage schedule for each critical (or key) substation, as determined by BPA. Depending on the hourly operating requirements at each substation and at each point of generation integration, BPA will issue a target voltage (set-point) for the voltage schedule. At any time, BPA may reset the voltage schedule. The Company shall take all appropriate actions to help BPA maintain the established voltage schedule.

(4) **Voltage Levels During Abnormal System Conditions**

During outages or emergencies, BPA will maintain delivery voltage within 10 percent of the nominal voltage for all facilities having a nominal voltage less than 500 kV. BPA will normally match other transmission providers' voltage levels for abnormal system conditions when they share transmission responsibilities. At times during abnormal system conditions, BPA may need the Company to supply additional reactive power from its generating facilities (relative to

normal requirements) to maintain reasonable voltage levels. The Company shall use its best efforts to comply with BPA's request.

(c) **Balancing Phase Demands**

The current on any one phase shall not deviate by more than 5 percent from the current on any other phase, unless otherwise agreed by the Parties.

(d) **Harmonic Control**

Each Party shall design, construct, operate, maintain, and use its electric facilities in accordance with Prudent Utility Practice to reduce, to acceptable levels, the harmonic currents and voltages which pass into the other Party's facilities. To that end, the Parties shall be guided by the recommended practices and requirements for harmonic control specified in The Institute of Electrical and Electronics Engineers, Inc. (IEEE) Electrical Power System Standard 519-1992, or its successor. The Parties shall accomplish harmonic reductions using equipment which is specifically designed, and permanently operated and maintained, as an integral part of the facilities of the Party which owns the system on which the harmonics are generated.

(e) **Voltage Flicker**

Voltage flicker is normally detectable through visible variations in light intensity. However, flicker may be present even when no light variations are detectable. Since flicker is disruptive to lighting and can damage computer equipment, it must be controlled. IEEE Recommended Practices and Requirements for Harmonic Control in Electric Power Systems (IEEE Standard 519) provides definitions and limits on acceptable levels of voltage flicker, as set by IEEE Standard 519. Both Parties shall control voltage flicker on their respective systems as required by IEEE Standard 519.

(f) **Maintenance Outages**

The Company, BPA, or a transferor may temporarily interrupt or reduce deliveries of electric power if any such party determines that such interruption or reduction is necessary or desirable to install equipment in, make repairs to, make replacements within, conduct investigations and inspections of, or perform other maintenance work on, the Company's facilities, the Federal System, or the transferor's system.

Except in an emergency where such notice is not possible, the interrupting party shall notify the other affected entities in advance of an interruption or reduction in service. The interrupting party shall identify the reason for such interruption or reduction, and the probable duration. To the extent reasonable or appropriate, the Company or BPA shall schedule such interruption or use temporary facilities or equipment to minimize the effect of any such interruption or outage.

5. STATUTORY PROVISIONS

- (a) The provisions of sections 9(c) and (d) of Public Law 96-501 and the provisions of Public Law 88-552 (the Provisions) as may be amended prior to the execution of this Agreement are hereby incorporated by this reference.
- (b) BPA agrees that the Company, together with other companies in the Pacific Northwest, shall have priority to power that BPA has available for sale, in conformity with the Provisions.

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Exhibit B
FEES FOR REMARKETING

[Intentionally Omitted.]

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Exhibit C
POWER RATES, INCLUDING BPA's 1996 WHOLESALE POWER AND
TRANSMISSION RATE SCHEDULES

1. **Rate for Power Delivered Prior to 2400 Hours February 28, 2001**
All power delivered under this Agreement prior to 2400 hours on February 28, 2001, shall be billed under the IP-96 Rate Schedule.
2. **Rate for Station Service Power Up to 5 MW**
Beginning March 1, 2001, the rate for Station Service Power in amounts up to 5 MW on any hour delivered by BPA under this Agreement shall be equal to \$100/MWh, pursuant to the FPS-96 Rate Schedule.
3. **Rate For Station Service Power in Excess of 5 MW**
Beginning March 1, 2001, the rate for Station Service Power that exceeds 5 MW on any hour shall be billed at the Unauthorized Increase Charge.
4. **Rate for Smelting Power**
Beginning March 1, 2001, the rate for any Smelting Power delivered by BPA under this Agreement shall be equal to the rate as determined pursuant to section 5 of the Curtailment Agreement, pursuant to the FPS-96 Rate Schedule.
5. **Transmission Services**
Except as set forth in Section 6(b), the Company shall not be required to pay BPA for transmission services or use-of-facilities charges.

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Exhibit D
MONTHLY AMOUNTS OF FIRM POWER

[Intentionally Omitted.]

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Exhibit E
POINTS OF DELIVERY

LONGVIEW AND LONGVIEW ANNEX NO. 2 POINT OF DELIVERY

Location: in the Government's Longview Substation where the 13.8 kV facilities of the Parties hereto are connected and in the Government's Longview Annex No. 2 Substation where the 13.8 kV facilities of the Parties hereto are connected;

Voltage: 13.8 kV;

Metering: in the Government's Longview and Longview Annex No. 2 Substations, in the 13.8 kV circuits over which such electric power and energy flows;

Demand Limit: The Demand Limit shall be as set forth in section 6 of this Agreement.

Amount of Power Delivered: the Integrated Demands for the electric power and energy delivered at the Longview and Longview Annex No. 2 metering points will be added together coincidentally for billing purposes.

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Exhibit F
UNRECOVERABLE COSTS AND TRANSFER COSTS

1. UNRECOVERABLE COSTS

- (a) Pursuant to the Curtailment Agreement, the unrecoverable costs in BPA substation or transmission facilities used to serve the Company's load shall be included in the Transmission Agreement (as such term is defined in the Curtailment Agreement) between the Company and BPA's Transmission Business Line effective as of October 1, 2001.
- (b) If the facilities must be removed from the site, the unrecoverable costs shall include, in addition to the unamortized investment for such facilities, all reasonable costs involved in the disposition of such facilities, such as, but not limited to, labor in dismantling equipment, transportation, site restoration and cleanup (except for the cost covered under section 3(c) of Exhibit A), less any mitigation, such as the salvage value of such equipment.

2. TRANSFER COSTS

The Company is not served by transfer over third-party facilities.

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Exhibit G
STABILITY RESERVE SCHEME(S)

Import Contingency Load Tripping Schemes: Remedial Action Scheme for the loss of the AC Intertie and Remedial Action Scheme for the loss of the DC Intertie.

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Exhibit H
ARBITRATION PROCEDURES

[Intentionally Omitted.]

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Exhibit I
USE-OF-FACILITIES CHARGE

Pursuant to the Curtailment Agreement, any requirement of the Company to pay use-of-facilities charges shall be as specified in the Transmission Agreement (as such term is defined in the Curtailment Agreement) between the Company and BPA's Transmission Business Line effective as of October 1, 2001.

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Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

June 5, 2001

In reply refer to: PTS-5

Amendment No. 1
Contract No. 01PB-10769
BLOCK POWER SALES AGREEMENT

John Kolleng
Vice Chairman
Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294

Dear Mr. Kolleng:

This letter agreement (Amendment No. 1) constitutes an amendment to Contract No. 01PB-10769 (Block Power Sales Agreement) between the Bonneville Power Administration (BPA) and Longview Aluminum, LLC (Longview). As a result of additional agreed upon curtailments of Firm Power by BPA and Longview, the Parties have agreed to amend the Block Power Sales Agreement as follows:

1. **EFFECTIVE DATE.** This Amendment No. 1 shall become effective on the date signed by the Parties.
2. **AMENDMENT OF BLOCK POWER SALES AGREEMENT.**
 - (a) Section 4 of the Block Power Sales Agreement is deleted and replaced by the following:
 - “4. **INDUSTRIAL FIRM POWER PRODUCT**
During the period that begins on October 1, 2001, and continues through March 31, 2002, Longview shall purchase zero (0) MW each hour. During the period that begins on April 1, 2002, and continues through September 30, 2003, Longview shall purchase 4 MW on every hour.”

- (b) Section 5 is deleted and replaced by the following:

"5. CURTAILMENT AND LOAD MANAGEMENT

- (a) **Curtailments Under the Curtailment Agreement**
Under the Curtailment Agreement, Longview has curtailed the following amounts for the following periods of time, beginning October 1, 2001:

<u>Time Period</u>	<u>Amount Curtailed (MW)</u>
10/01/01 through 03/31/02	280 MW on every hour
04/01/02 through 06/30/02	180 MW on every hour

Compensation to Longview for these curtailments is provided for in the Curtailment Agreement. Longview shall not be required to make any payments to BPA pursuant to section 6 below or otherwise with respect to the curtailments described in this section 5(a).

However, during the period from October 1, 2001, through March 31, 2002, Longview shall have the right to purchase Station Service Power not to exceed 5 MW on every hour at the rate specified in Exhibit A.

- (b) **Curtailments Under this Agreement**
Under this Agreement, Longview agrees to curtail the following amounts for the following periods of time:

<u>Time Period</u>	<u>Amount Curtailed (MW)</u>
04/01/02 through 06/30/02	96 MW on every hour
07/01/02 through 09/30/03	276 MW on every hour

Compensation to Longview for these curtailments is provided under Contract No. 01PB-42020 (Curtailement Confirmation Agreement). Longview shall not be required to make any payments to BPA pursuant to section 6 below or otherwise with respect to the curtailments described in this section 5(b).

- (c) **Short-Term Load Management Interruptions Under Separate Agreements**
Nothing in this Agreement shall preclude BPA and Longview from entering into separate agreements that provide for short-term load management interruption(s) of BPA deliveries to Longview."

If this Amendment No. 1 is acceptable to Longview, please so indicate by signing both originals and return one original to me. The remaining original is for your files.

Sincerely,

Account Executive
Mark E. Miller

ACCEPTED:

LONGVIEW ALUMINUM, LLC.

By _____

Name _____
(Print / Type)

Title _____

Date _____

(PBLAN-PST-W:\PSC\PM\CT\10769aa1.DOC)

Insley, Gary C - PTS

From: Hanlon, Doug - PTS-5
Sent: Tuesday, June 05, 2001 9:27 AM
To: Clark, Harry W - PTS-5
Cc: Insley, Gary - PTS-5
Subject: MCCOOK AA1 TO 2001 AGREEMENT



10769aa1.doc

Harry -- I'd like to get your comments on this before I send it out on a broader internal review. Thanks.

BLOCK POWER SALES AGREEMENT
executed by the
BONNEVILLE POWER ADMINISTRATION
and
LONGVIEW ALUMINUM, LLC

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This BLOCK POWER SALES AGREEMENT (Agreement) is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA), and LONGVIEW ALUMINUM, LLC (Longview). Longview is a limited liability company organized under the laws of the State of Delaware.

RECITALS

BPA has administratively divided its organization into two business lines in order to functionally separate the administration and decisionmaking activities of BPA's power business from the administrative and decisionmaking activities of its transmission business. References in this Agreement to the Power Business Line (PBL) are solely for the purpose of establishing which BPA business line is responsible for the administration of this Agreement.

BPA and Longview agree:

1. **TERM**

This Agreement takes effect on the date signed by the Parties (Execution Date), and shall continue through September 30, 2006 (Expiration Date). The obligations of the Parties under this Agreement shall become effective on October 1, 2001.

2. **DEFINITIONS**

Capitalized terms in this Agreement shall have the meanings defined below, in the exhibits or in context. All other capitalized terms and acronyms are defined in BPA's applicable Wholesale Power Rate Schedule(s), including the General Rate Schedule Provisions (GRSPs).

- (a) "Amounts Taken" means an amount deemed equal to the amount of power scheduled by Longview under section 7 of this Agreement or an amount of power as measured at Points of Measurement, as appropriate.
- (b) "Contract Year" means the period that begins each October 1 and which ends the following September 30. For instance Contract Year 2002 begins October 1, 2001, and continues through September 30, 2002.
- (c) "Contracted Power" means Firm Power and Surplus Firm Power provided under this Agreement.
- (d) "Curtailment Agreement" means Contract No. 01PB-10786 between BPA and Longview.
- (e) "Diurnal" means the division of hours of the day between Heavy Load Hours (HLH) and Light Load Hours (LLH).
- (f) "Firm Power" means electric power that PBL will make continuously available to Longview under this Agreement.
- (g) "Northwest Power Act" means the Pacific Northwest Electric Power Planning and Conservation Act of 1980, P.L. 96-501.
- (h) "Party" or "Parties" means PBL and/or Longview.

- (i) "Planned Maintenance Outage" means a reduction in Total Plant Load due to periodic or routine plant maintenance that is typical for Longview's industry. Planned Maintenance Outages shall not exceed 10 days per year, unless otherwise agreed to by BPA.
- (j) "Points of Measurement" means the interconnection points between BPA, Longview and other control areas, as applicable. Electric power amounts are established at these points based on metered amounts or scheduled amounts, as appropriate.
- (k) "Point of Receipt" means the points of interconnection on the transmission provider's transmission system where Contracted Power will be made available to Longview's transmission provider by PBL.
- (l) "Power Business Line" or "PBL" means that portion of the BPA organization or its successor that is responsible for the management and sale of BPA's Federal power.
- (m) "Region" means the definition established for "Region" in the Northwest Power Act.
- (n) "Station Service Power" means power that is used to serve that portion of Plant Load that is not being used to smelt aluminum. Examples of Station Service Power uses include lighting, computers, security, waste water pumping, and equipment for plant renovation.
- (o) "Total Plant Load" means all electric power consumption including electric system losses, at Longview's production facilities as measured at Points of Measurement. No distinction is made between load that is served with Contracted Power and load that is served with electric power from other sources.
- (p) "Transmission Business Line" or "TBL" means that portion of the BPA organization or its successor that is responsible for the management and sale of transmission service on the Federal Columbia River Transmission System (FCRTS).

3. APPLICABLE RATES

Purchases under this Agreement may be subject to more than one rate schedule. The Industrial Firm Power (IP-02) and Firm Power Products and Services (FPS) rate schedules, including the GRSPs, apply to power purchases under this Agreement. Purchases under each rate schedule are established as follows:

- (a) IP-02 Rate. Section 4 of the body of this Agreement, Exhibit B (Billing), and Exhibit C (Power Rate) identify Contracted Power amounts, rates and billing entitlements subject to the IP-02 Rate schedule.

- (b) **FPS.** Except when otherwise specified in this Agreement Exhibit D (Additional Products, Services, and Special Provisions) identifies amounts, rates and billing entitlements subject to the FPS rate schedule.

4. INDUSTRIAL FIRM POWER PRODUCT

Subject to the terms of section 5 below, Longview shall purchase 280 MW each hour during the term of this Agreement.

5. CURTAILMENT AND LOAD MANAGEMENT

- (a) **Curtailement**

Except for the curtailments described in section 5(c) below, if Longview curtails Contracted Power in whole or in part, then Longview may request take-or-pay mitigation for purchases under section 4 above pursuant to section 6(a) below.

- (b) **Short-Term Load Management Interruptions Under Separate Agreements**

Nothing in this Agreement shall preclude BPA and Longview from entering into separate agreements that provide for short-term load management interruption(s) of BPA deliveries to Longview.

- (c) **Curtailments Under the Curtailment Agreement**

Longview shall curtail its purchases under section 4 above during the periods of time and for the amounts specified in the Curtailment Agreement, as such Curtailment Agreement may be amended from time-to-time. Longview shall not be required to make any payments to BPA pursuant to section 6 below or otherwise with respect to the curtailments described in this section 5(c).

However, during the period from October 1, 2001, through March 31, 2002, the Company shall have the right to purchase Station Service Power not to exceed 5 MW on every hour at the rate specified in Exhibit A.

6. TAKE-OR-PAY MITIGATION/RELIEF FROM TAKE-OR-PAY

- (a) **Take-or-Pay Mitigation for Curtailments**

If Longview chooses to curtail its purchase obligation pursuant to section 5(a) above, then the following terms and conditions shall apply:

- (1) **Notice of Curtailment**

Longview shall endeavor to provide notice to BPA at least seven (7) business days in advance of a curtailment; **provided, however,** that such notice shall in no event be less than three (3) business days prior to the beginning of a curtailment. Such notice shall specify the amount of power to be curtailed (Purchase Deficiency) and the duration of the curtailment. The election to curtail such power, and the amount and duration of such curtailment, may not be changed without BPA's consent.

(2) **Limitation on Damages**

Longview shall pay BPA damages for any Purchase Deficiency equal to the amount by which the reasonable market value of such Purchase Deficiency is less than the price of the applicable IP-02 Rate.

Following are two options for the calculation of such damages, if any.

- (A) Except for circumstances established in section 6(a)(2)(B) below, damages shall be calculated as follows: No later than sixty (60) business days after the end of each Contract Year, BPA shall calculate the reasonable market value of any Purchase Deficiency due to a curtailment, taking into account the differing market values for each day in any month in which there was a Purchase Deficiency during each such Contract Year. Longview shall pay BPA damages equal to the amount by which the sum of the product of the monthly purchase deficiencies and the applicable IP-02 Rate exceeds the sum of the product of the monthly purchase deficiencies and the reasonable market value in each month. BPA is not obligated to pay Longview the difference when the reasonable market value exceeds the applicable IP-02 Rate schedule.
- (B) BPA shall obtain a transactable quote for such power from a third-party. If Longview notifies BPA that such quote is unacceptable within 24 hours after BPA provides Longview such quote, then damages shall be calculated according to 6(a)(2)(A) above. Otherwise, such quote shall be deemed equal to the reasonable market value of such power for the purpose of calculating damages under this section 6(a)(2)(B). Further, BPA shall not be obligated to resell the Purchase Deficiency to the third-party that provided the quote and may retain the power or dispose of the power as it chooses. Longview shall pay BPA damages equal to the amount by which the sum of the product of the amount of the monthly Purchase Deficiency subject to this election and the applicable IP-02 Rate exceeds the reasonable market value established by the quote. BPA is not obligated to pay Longview the difference when the reasonable market value exceeds the applicable IP-02 Rate schedule.

(b) **Planned Maintenance Outages**

No less than seven days prior to the beginning of a Planned Maintenance Outage, Longview shall provide BPA with written notice that specifies the duration of the Planned Maintenance Outage and the amount of purchase obligation that is to be reduced. If Longview provides BPA with written notice, Longview may reschedule amounts of Contracted Power that are not received due to a Planned Maintenance Outage. Such amounts may only be rescheduled during months when the IP-02 rate is less than or equal to the

rate in effect when the Planned Maintenance Outage occurred. All other provisions relating to delivery shall be as mutually agreed to by the Parties.

7. SCHEDULING

All Contracted Power transactions under this Agreement shall be scheduled and implemented consistent with Exhibit E (Scheduling). The procedures for scheduling described in Exhibit E (Scheduling) are the standard utility procedures followed by BPA for power transactions between PBL and other utilities or entities in the Region that require scheduling.

8. DELIVERY

(a) Transmission Service for Contracted Power

This Agreement does not provide transmission services for, or include the delivery of, Contracted Power to Longview. Longview shall be responsible for executing one or more wheeling agreements with a transmission supplier for the delivery of Contracted Power (Wheeling Agreement). The Parties agree to take such actions as may be necessary to facilitate the delivery of Contracted Power to Longview consistent with the terms, notice, and the time limits contained in the Wheeling Agreement.

(b) Liability for Delivery

Longview waives any claims against PBL arising under this Agreement for nondelivery of power to any points beyond the applicable Points of Receipt. PBL shall not be liable for any third-party claims related to the delivery of power after it leaves the Points of Receipt. In no event will either Party be liable under this Agreement to the other Party for damage that results from any sudden, unexpected, changed, or abnormal electrical condition occurring in or on any electric system, regardless of ownership. These limitations on liability apply regardless of whether or not this Agreement provides for transfer service.

(c) Points of Receipt

PBL shall make Contracted Power available to Longview under this Agreement at Points of Receipt solely for the purpose of scheduling transmission to points of delivery for service to Longview's Total Plant Load. Longview shall schedule, if scheduling is necessary, such Contracted Power solely for use by its Total Plant Load. PBL, for purposes of scheduling transmission for delivery under this Agreement, specified Points of Receipt in a written notice to Longview prior to August 1, 2000.

If required by the Wheeling Agreement when PBL designates such Points of Receipt, PBL will provide capacity amounts for transmission under the Wheeling Agreement associated with the initial Points of Receipt that can be accepted as firm Points of Receipt under Longview's Wheeling Agreement (except in the event that all Points of Receipt on the Federal Columbia River Power System (FCRPS) would be considered nonfirm). The sum of capacity amounts requested by PBL shall not exceed the amount of Contracted Power

specified in section 4 of this Agreement. Such Points of Receipt and their capacity amounts may only be changed through mutual agreement. However, at any time PBL may request the use of a nonfirm Point of Receipt to provide Contracted Power to Longview, but not withstanding section 8(b) above, PBL shall reimburse Longview for any additional costs or production losses incurred by Longview due to its compliance with such request.

(d) **Transmission Losses**

PBL shall provide Longview the losses between the Points of Receipt and Longview's distribution facilities for Contracted Power, at no additional charge. Losses will be provided at Points of Receipt as established under section 8(c), and under the terms and conditions as defined in the transmission provider's tariff.

9. MEASUREMENT

- (a) Amounts Taken are deemed equal to the amount scheduled by Longview under section 7 of this Agreement or an amount of power as measured at Points of Measurement, as appropriate.
- (b) Longview shall provide reasonable notice to PBL prior to changing control areas.

10. BILLING AND PAYMENT

(a) **Billing**

PBL shall bill Longview monthly, consistent with applicable BPA rates, including the GRSPs and the provisions of this Agreement for the Amounts Taken, payments pursuant to section 5, and other services provided to Longview in the preceding month or months under this Agreement. PBL may send Longview an estimated bill followed by a final bill. PBL shall send all bills on the bill's issue date either electronically or by mail, at Longview's option. If electronic transmittal of the entire bill is not practical, PBL shall transmit a summary electronically, and send the entire bill by mail.

(b) **Payment**

Payment of all bills, whether estimated or final, must be received by the 20th day after the issue date of the bill (Due Date). If the 20th day is a Saturday, Sunday, or Federal holiday, the Due Date is the next business day. If payment has been made on an estimated bill before receipt of a final bill for the same month, Longview shall pay only the amount by which the final bill exceeds the payment made for the estimated bill. PBL shall provide Longview the amounts by which an estimated bill exceeds a final bill through either a check or as a credit on the subsequent month's bill. After the Due Date, a late payment charge shall be applied each day to any unpaid balance. The late payment charge is calculated by dividing the Prime Rate as reported in the Money Rates section of Wall Street Journal, plus 4 percent; by 365. The applicable Prime Rate shall be the rate reported on the first day of the

month in which payment is received. Longview shall pay by electronic funds transfer using BPA's established procedures. PBL may terminate this Agreement if Longview is more than three months behind in paying its bills under this Agreement and Longview cannot demonstrate an ability to make the payments owed.

(c) **Disputed Bills**

In case of a billing dispute, Longview shall note the disputed amount and pay its bill in full by the Due Date. Unpaid bills (including both disputed and undisputed amounts) are subject to late payment charges provided above. If Longview is entitled to a refund of any portion of the disputed amount, then BPA shall make such refund with simple interest computed from the date of receipt of the disputed payment to the date the refund is made. The daily interest rate used to determine the interest is calculated by dividing the Prime Rate for Large Banks as reported in the Wall Street Journal by 365. The applicable Prime Rate for Large Banks shall be the rate reported on the first day of the month in which payment is received by BPA.

11. NOTICES

Any notice required under this Agreement shall be in writing and shall be delivered: (a) in person; (b) by a nationally recognized delivery service; or (c) by United States Certified Mail. Notices are effective when received. Either Party may change its address for notices by giving notice of such change consistent with this section

If to Longview:

Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294
Attn: John Kolleng
Phone: 708-387-8523
FAX: 708-387-8919
E-Mail: john.kolleng@mccookmetals.com

If to PBL:

Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621
905 NE. 11th Avenue
Portland, OR 97232
Attn: Mark E. Miller – PT-5
Account Executive
Phone: 503-230-4003
FAX: 503-230-3681
E-Mail: memiller@bpa.gov

12. COST RECOVERY

- (a) Nothing included in or omitted from this Agreement creates or extinguishes any right or obligation, if any, of BPA to assess against Longview and Longview to pay to BPA at any time a cost underrecovery charge pursuant to an applicable transmission rate schedule or otherwise applicable law.
- (b) BPA may adjust the rates for Contracted Power set forth in the applicable power rate schedule during the term of this Agreement only pursuant to the Cost Recovery Adjustment Clause (CRAC) in the 2002 GRSPs.

- (c) Any CRAC will be assessed against the full purchase obligation specified in section 4 of this Agreement, notwithstanding any curtailment by Longview pursuant to section 5 of this Agreement, except for curtailments pursuant to section 5(c).
- (d) For as long as Longview purchases cost-based power from BPA, this Agreement supercedes existing power sales contracts and Longview will be subject to the same cost underrecovery exposure as BPA's utility customers purchasing Subscription power.

13. UNCONTROLLABLE FORCES

PBL shall not be in breach of its obligation to provide Contracted Power and Longview shall not be in breach of its obligation to purchase Contracted Power to the extent the failure to fulfill that obligation is due to an Uncontrollable Force. "Uncontrollable Force" means an event beyond the reasonable control of, and without the fault or negligence of, the Party claiming the Uncontrollable Force that impairs that Party's ability to perform its contractual obligations under this Agreement and which, by exercise of that Party's reasonable diligence and foresight, such Party could not be expected to avoid and was unable to avoid. Uncontrollable Forces include, but are not limited to:

- (a) any unplanned curtailment or interruption for any reason of firm transmission used to deliver Contracted Power to Longview's facilities, including but not limited to unplanned maintenance outages;
- (b) any unplanned curtailment or interruption, failure or imminent failure of Longview's production or transmission facilities, including but not limited to unplanned maintenance outages;
- (c) any planned transmission or distribution outage that affects either Longview or PBL which was provided by a third-party transmission or distribution owner, or by a transmission provider, including TBL, that is functionally separated from the generation provider in conformance with Federal Energy Regulatory Commission (FERC) Orders 888 and 889 or its successors;
- (d) strikes or work stoppage, including the threat of imminent strikes or work stoppage;
- (e) floods, earthquakes, or other natural disasters; and
- (f) orders or injunctions issued by any court having competent subject matter jurisdiction, or any order of an administrative officer which the Party claiming the Uncontrollable Force, after diligent efforts, was unable to have stayed, suspended, or set aside pending review by a court of competent subject matter jurisdiction.

Neither the unavailability of funds or financing, nor conditions of national or local economies or markets shall be considered an Uncontrollable Force. The economic

hardship of either Party shall not constitute an Uncontrollable Force. Nothing contained in this provision shall be construed to require either Party to settle any strike or labor dispute in which it may be involved.

The Party claiming the Uncontrollable Force shall notify the other Party as soon as practicable of that Party's inability to meet its obligations under this Agreement due to an Uncontrollable Force. The Party claiming the Uncontrollable Force also agrees to notify any control area involved in the scheduling of a transaction which may be curtailed due to an Uncontrollable Force.

Both Parties shall be excused from their respective obligations, other than from payment obligations incurred prior to the Uncontrollable Force, without liability to the other, for the duration of the Uncontrollable Force and the period reasonably required for the Party claiming the Uncontrollable Force, using due diligence, to restore its operations to conditions existing prior to the occurrence of the Uncontrollable Force.

14. GOVERNING LAW AND DISPUTE RESOLUTION

- (a) This Agreement shall be interpreted consistent with and governed by Federal law. Final actions subject to section 9(e) of the Northwest Power Act are not subject to binding arbitration and shall remain within the exclusive jurisdiction of the United States Ninth Circuit Court of Appeals. Any dispute regarding any rights of the Parties under any BPA policy, including the implementation of such policy, shall not be subject to arbitration under this Agreement. Longview reserves the right to seek judicial resolution of any dispute arising under this Agreement that is not subject to arbitration under this section 14. For purposes of this section 14 BPA policy means any written document adopted by BPA as a final action in a decision record or record of decision that establishes a policy of general application, or makes a determination under an applicable statute. If either Party asserts that a dispute is excluded from arbitration under this section 14, either Party may apply to the Federal court having jurisdiction for an order determining whether such dispute is subject to arbitration under this section 14.
- (b) Any contract dispute or contract issue between the Parties arising out of this Agreement, except for disputes that are excluded through section 14(a) above, shall be subject to binding arbitration. The Parties shall make a good faith effort to resolve such disputes before initiating arbitration proceedings. During arbitration, the Parties shall continue performance under this Agreement pending resolution of the dispute, unless to do so would be impossible or impracticable.
- (c) Any arbitration shall take place in Portland, Oregon, unless the Parties agree otherwise. The CPR Institute for Dispute Resolution's arbitration procedures for commercial arbitration, Non-Administered Arbitration Rules (CPR Rules), shall be used for each dispute; **provided, however,** that:
 - (1) the Parties shall have the discovery rights provided in the Federal Rules

of Civil Procedure unless the Parties agree otherwise; and (2) for claims of \$1 million or more, each arbitration shall be conducted by a panel of three neutral arbitrators. The Parties shall select the arbitrators from a list containing the names of 15 qualified individuals supplied by the CPR Institute for Dispute Resolution. If the Parties cannot agree upon three arbitrators on the list within 20 business days, the Parties shall take turns striking names from the list of proposed arbitrators. The Party initiating the arbitration shall take the first strike. This process shall be repeated until three arbitrators remain on the list, and those individuals shall be designated as the arbitrators. For disputes involving less than \$1 million, a single neutral arbitrator shall be selected consistent with section 6 of the CPR Rules.

- (d) Except for arbitration awards which declare the rights and duties of the Parties under this Agreement, the payment of monies shall be the exclusive remedy available in any arbitration proceeding. Under no circumstances shall specific performance be an available remedy against BPA. The arbitration award shall be final and binding on both Parties, except that either Party may seek judicial review based upon any of the grounds referred to in the Federal Arbitration Act, 9 U.S.C. §1-16 (1988). Judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof.
- (e) Each Party shall be responsible for its own costs of arbitration, including legal fees. The arbitrators may apportion all other costs of arbitration between the Parties in such manner as they deem reasonable taking into account the circumstances of the case, the conduct of the Parties during the proceeding, and the result of the arbitration.

15. STATUTORY PROVISIONS

- (a) **Priority of Pacific Northwest Customers**
The provisions of sections 9(c) and (d) of the Northwest Power Act and the provisions of P.L. 88-552 as amended by the Northwest Power Act are incorporated into this Agreement by reference. BPA agrees that Longview, together with other customers in the Region shall have priority to BPA power, consistent with such provisions.
- (b) **Prohibition on Resale**
Longview shall not resell Industrial Firm Power except as otherwise permitted by Federal law.
- (c) **BPA Appropriations Refinancing Act**
The text of the BPA Refinancing Section of the Omnibus Consolidated Recissions and Appropriations Act of 1996 (The BPA Refinancing Act), P.L. No. 104-134, 110 Stat. 1321, 1350, is incorporated in this Agreement as shown in Exhibit D, Additional Products, Services, and Special Provisions.

16. STANDARD PROVISIONS

(a) **Amendments**

No oral or written amendment, rescission, waiver, modification, or other change of this Agreement shall be of any force or effect unless set forth in a written instrument signed by authorized representatives of each Party.

(b) **Assignment**

This Agreement is binding on any successors and assigns of the Parties. BPA may assign this Agreement to another Federal agency to which BPA's statutory duties have been transferred. The consent of BPA is hereby given to an assignment of this Agreement to a successor in interest of Longview, or any Longview facility served directly by the PBL, for use at any existing direct service industrial facility served directly by the PBL on the date of the assignment. Neither Party may otherwise transfer or assign this Agreement without the other Party's written consent. Such consent shall not be unreasonably withheld.

(c) **Information Exchange and Confidentiality**

The Parties shall provide each other with any information that is reasonably required, and requested by either Party in writing, to operate under and administer this Agreement, including load forecasts for planning purposes, information needed to resolve billing disputes, scheduling, and metering information reasonably necessary to prepare power bills that is not otherwise available to the requesting Party. Such information shall be provided in a timely manner. Information may be exchanged by any means agreed to by the Parties. If such information is subject to a privilege of confidentiality, a confidentiality agreement or statutory restriction under state or Federal law on its disclosure by a Party to this Agreement, then that Party shall endeavor to obtain whatever consents, releases, or agreements are necessary from the person holding the privilege to provide such information while asserting the confidentiality over the information. Information provided to BPA which is subject to a privilege of confidentiality or nondisclosure shall be clearly marked as such and BPA shall not disclose such information without obtaining the consent of the person or Party asserting the privilege, consistent with BPA's obligation under the Freedom of Information Act. BPA may use such information as necessary to provide service or timely bill for service under this Agreement. BPA shall only disclose information received under this provision to BPA employees who need the information for purposes of this Agreement.

(d) **Entire Agreement**

This Agreement, including all provisions, exhibits incorporated as part of this Agreement, and documents incorporated by reference, constitutes the entire agreement between the Parties. It supersedes all previous communications, representations, or contracts, either written or oral, which purport to describe or embody the subject matter of this Agreement.

(e) **Exhibits**

The exhibits listed in the table of contents are incorporated into this Agreement by reference. The exhibits may only be revised upon mutual agreement between the Parties unless otherwise specified in the exhibits. The body of this Agreement shall prevail over the exhibits to this Agreement in the event of a conflict.

(f) **No Third-Party Beneficiaries**

This Agreement is made and entered into for the sole protection and legal benefit of the Parties, and no other person shall be a direct or indirect legal beneficiary of, or have any direct or indirect cause of action or claim in connection with this Agreement.

(g) **Waivers**

Any waiver at any time by either Party to this Agreement of its rights with respect to any default or any other matter arising in connection with this Agreement shall not be considered a waiver with respect to any subsequent default or matter.

(h) **BPA Policies**

Any reference in this Agreement to BPA policies, including without limitation BPA's New Large Single Load Policy and the 5(b)/9(c) Policy, and any revisions thereto, does not constitute agreement by Longview to such policy, nor shall it be construed to be a waiver of the right of Longview to seek judicial review of any such policy.

(i) **Severability**

If any term of this Agreement is found to be invalid by a court of competent jurisdiction then such term shall remain in force to the maximum extent permitted by law. All other terms shall remain in force unless that term is determined not to be severable from all other provisions of this Agreement by such court.

(j) **Compromise Approach Covenant**

Longview agrees that BPA substantially sustained the Compromise Approach in the Rate Case Final Record of Decision (ROD) issued by BPA on May 15, 2000. As a consequence, Longview agrees:

- (1) Longview will not legally challenge in any forum, including before the Federal Energy Regulatory Commission (FERC), decisions contained in BPA's 2002 Rate Case ROD, including but not limited to BPA's final rate case decisions regarding the sale of power to serve the residential and small farm loads of the investor-owned utilities, or the rates for such sales, for the FY 2002-2006 period; **provided, however,** that Longview may intervene in any legal challenge to BPA's final rate case decisions regarding power sales or rates for service for Longview for the sole purpose of opposing such challenge to power sales or rates for Longview.

- (2) Longview agrees that its failure to comply with this provision will constitute a breach of this Agreement, and that BPA may terminate this Agreement in such case.

17. TERMINATION

Longview may terminate this Agreement through a written notice up to 30 days after FERC grants interim approval for BPA's wholesale power rates that are effective October 1, 2001. In addition, Longview shall have the right to terminate this Agreement if all of the following conditions have been satisfied:

- (a) Any rates adopted in WP-02 Final Rate Proposal, Administrator's Final ROD are remanded to BPA for reconsideration by FERC or the Ninth Circuit Court of Appeals.
- (b) As a result of the remand, the Administrator publishes a subsequent Final ROD which, if confirmed, would result in Longview being subject to a higher average effective power rate for the period beginning the first day of the billing period immediately following the effective date of new rates contained in the subsequent Final ROD and ending on September 30, 2006.
- (c) Longview has provided written notice to BPA of its intent to terminate this Agreement within 30 days of publication of the subsequent Final ROD.

Termination shall be effective at the start of the second billing period following the termination notice.

18. GOOD CORPORATE CITIZENSHIP CLAUSE

- (a) BPA is directed by statute to market Federal power in the Northwest first to public bodies and cooperatives, then to investor-owned utilities, and then, at the Administrator's discretion, to direct-service industries. Under this Agreement, Longview shall comply with the requirements of applicable Federal, State, and local laws and regulations (including DOE regulations). Longview freely agrees that the Administrator enters into this Agreement with a direct-service industrial Customer only with the express qualification that during the term of this Agreement, Longview shall remain in compliance as determined by the Administrator, in his or her sole discretion, with all applicable federal, state, and local laws, and all regulations and orders implementing such laws, whether civil or criminal, as a condition of Longview's right to receive power under this Agreement. Longview acknowledges BPA's obligations and policies pursuant to such applicable laws, and that Longview will act in good faith as it relates to such laws and policies.
- (b) In the event that the Administrator determines, in his or her sole discretion:
 - (1) that Longview is using power provided by the BPA for the furtherance of an enterprise that is not in compliance with all applicable federal,

state, and local laws, and all regulations and orders implementing such laws, whether civil or criminal; and

- (2) that such non-compliance, when considered in light of the mission, goals, policies, and interests of the BPA: (i) is egregious or persistent; and (ii) warrants the temporary or permanent curtailment by BPA of the sale of some or all of the power available under this Agreement or any subsequent agreement with Longview;

then Longview agrees that the Administrator, in his or her sole discretion, may curtail the sale of some or all of the power available under this Agreement or any future power agreement between Longview and BPA.

- (c) The curtailment of power in paragraph (b) above will continue until the Administrator determines, in his or her sole discretion, that Longview is in compliance with all applicable Federal, state, and local laws, and all regulations and orders implementing such laws, whether civil or criminal.
- (d) The determinations of the Administrator referred to in paragraphs (b) and (c) above shall only be made with the consent of the Secretary of Energy, and after providing notice to Longview. In making such determinations, the Administrator shall consider any relevant information that may be obtained from Longview, Federal or state agencies or courts, or any other entity. The Administrator shall promptly notify Longview before any such determination becomes final.

19. SIGNATURES

The signatories represent that they are authorized to enter into this Agreement on behalf of the Party for whom they sign.

LONGVIEW ALUMINUM, LLC

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By _____
☐ ☐ Name _____
_____ ☐ (Print / Type) ☐ ☐ Title
_____ ☐ ☐ Date
_____ ☐

By _____
Name _____
(Print / Type)
Date _____

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Exhibit A
RATE COMMITMENTS

1. REVISIONS TO INDUSTRIAL FIRM POWER RATES

BPA agrees that the IP-02 rates available to Longview consistent with this exhibit shall not be subject to revision during the term of this Agreement, except for the application of a Cost Recovery Adjustment Clause as provided in the IP-02 rates schedules and GRSPs and this Agreement.

2. SPECIAL IP LOAD TREATMENT

Environmentally Preferred Power

Longview may request Environmentally Preferred Power. If available, the Parties shall amend this Agreement to include necessary provisions as mutually agreed.

3. STATION SERVICE POWER

During the period that begins October 1, 2001, and continues through March 31, 2002, the Company shall pay BPA \$100/MWh for all Station Service Power delivered, pursuant to the FPS Rate Schedule.

4. REVISIONS

If this exhibit is inconsistent with BPA's 2002 Industrial Firm Power Rate Schedule as finally approved by FERC, the Parties shall make a good faith effort to amend this exhibit so that it is consistent.

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Exhibit B BILLING

1. INDUSTRIAL FIRM POWER ENTITLEMENTS

- (a) The MW amount shown in section 4 of the body of this Agreement multiplied by: (1) the number of HLH; and (2) the number of LLH in the applicable month establishes Longview's HLH and LLH Energy Entitlements.
- (b) The MW amount shown in section 4 of the body of this Agreement establishes Longview's Demand Entitlement.

2. UNAUTHORIZED INCREASE CHARGE

Amounts Taken from PBL in excess of Contracted Power shall be subject to the Unauthorized Increase Charge for demand and energy consistent with the applicable BPA Wholesale Power Rate Schedules and GRSPs, unless such power is provided under another contract with PBL. Power that has been provided for energy imbalance service pursuant to an agreement between TBL and Longview will not be subject to an Unauthorized Increase Charge for Demand and Energy under this Agreement.

3. CONSERVATION AND RENEWABLES DISCOUNT

Subject to the terms specified in BPA's applicable Wholesale Power Rate Schedules, including GRSPs, BPA shall apply the Conservation and Renewables Discount to Longview's Contracted Power as established in section 4 of the body of this Agreement unless Longview has notified PBL before August 2001 that it will not participate in the Conservation and Renewables Discount. For purposes of establishing power amounts eligible for this discount, Longview shall provide PBL either: (a) a reasonable forecast of such firm power amounts through Contract Year 2006; or (b) notice Longview chooses not to have the Conservation and Renewables Discount applied to its Contracted Power by no later than August 1, 2001.

If during any Contract Year, Longview has significant load loss or gain, the Parties may, by no later than August 31 prior to the succeeding Contract Year, revise the forecast used to calculate the Conservation and Renewables Discount. If the revised forecast is less than 95 percent of, or greater than 105 percent of, the forecast used to calculate the existing Conservation and Renewables Discount, the revised forecast shall be used to recalculate the Conservation and Renewables Discount for the succeeding Contract Years.

To retain the full amount of the Conservation and Renewables Discount Longview shall satisfy all obligations associated with the Conservation and Renewables Discount as specified in BPA's applicable Wholesale Power Rate Schedules, including GRSPs and the Conservation and Renewables Discount implementation manual. Longview shall reimburse BPA for any amount it received but for which it did not satisfy such obligations.

4. REVISIONS

If this exhibit is inconsistent with BPA's 2002 Industrial Firm Power Rate Schedule as finally approved by FERC, the Parties shall make a good faith effort to amend this exhibit so that it is consistent.

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Exhibit C
POWER RATE

A. DEMAND RATE

1. Flat Rate Demand for FY 2002 through 2006

1.1 Applicability

These rates apply to eligible customers purchasing power.

1.2 Rate Table

<i>Applicable Months</i>	<i>Rate</i>
January	\$2.16/kW-mo
February	\$2.03/kW-mo
March	\$1.82/kW-mo
April	\$1.45/kW-mo
May	\$1.43/kW-mo
June	\$1.79/kW-mo
July	\$2.31/kW-mo
August	\$2.31/kW-mo
September	\$2.31/kW-mo
October	\$1.76/kW-mo
November	\$2.31/kW-mo
December	\$2.31/kW-mo

B. ENERGY RATE FOR IPTAC (A) PRODUCT

1. Monthly Energy Rates for FY 2002 through FY 2006

1.1 Applicability

These rates apply to eligible customers purchasing power.

1.2 Rate Table

<i>Applicable Months</i>	<i>HLH Rate</i>	<i>LLH Rate</i>
January	23.88 mills/kWh	17.90 mills/kWh
February	22.33 mills/kWh	16.90 mills/kWh
March	20.59 mills/kWh	15.18 mills/kWh
April	16.94 mills/kWh	12.57 mills/kWh
May	16.88 mills/kWh	11.00 mills/kWh
June	20.20 mills/kWh	12.55 mills/kWh
July	25.38 mills/kWh	18.45 mills/kWh
August	35.78mills/kWh	21.68 mills/kWh
September	26.70 mills/kWh	22.55 mills/kWh
October	20.03 mills/kWh	15.52 mills/kWh
November	25.76 mills/kWh	21.47 mills/kWh
December	26.41 mills/kWh	21.13 mills/kWh

Rates in Rate Table includes the IPTAC (A) (2.02 mills) adder.

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Exhibit D
ADDITIONAL PRODUCTS, SERVICES, AND SPECIAL PROVISIONS

1. **ADDITIONAL PRODUCTS, SERVICES, AND SPECIAL PROVISIONS**
In accordance with section 15(c) of the body of this Agreement the following is included in this Agreement.

**BONNEVILLE POWER ADMINISTRATION REFINANCING
SECTION
OF THE OMNIBUS CONSOLIDATED RECISSIONS AND
APPROPRIATIONS ACT OF 1996**

16 United States Code Chapter 12G
Act of April 26, 1996, 110 Stat. 1321, 1350
Public Law No. 104-134, H.R. 3019 (S. 1594)

838l. Bonneville Power Administration refinancing

838l(a). Definitions

For the purposes of this section--

838l(a)(1). "Administrator" means the Administrator of the Bonneville Power Administration;

838l(a)(2). "capital investment" means a capitalized cost funded by Federal appropriations that--

838l(a)(2)(A). is for a project, facility, or separable unit or feature of a project or facility;

838l(a)(2)(B). is a cost for which the Administrator is required by law to establish rates to repay to the United States Treasury through the sale of electric power, transmission, or other services;

838l(a)(2)(C). excludes a Federal irrigation investment; and

838l(a)(2)(D). excludes an investment financed by the current revenues of the Administrator or by bonds issued and sold, or authorized to be issued and sold, by the Administrator under section 838k of this title;

838l(a)(3). "new capital investment" means a capital investment for a project, facility, or separable unit or feature of a project or facility, placed in service after September 30, 1996;

838l(a)(4). "old capital investment" means a capital investment the capitalized cost of which--

838l(a)(4)(A). was incurred, but not repaid, before October 1, 1996, and

8381(a)(4)(B). was for a project, facility, or separable unit or feature of a project or facility, placed in service before October 1, 1996;

8381(a)(5). "repayment date" means the end of the period within which the Administrator's rates are to assure the repayment of the principal amount of a capital investment; and

8381(a)(6). "Treasury rate" means--

8381(a)(6)(A). for an old capital investment, a rate determined by the Secretary of the Treasury, taking into consideration prevailing market yields, during the month preceding October 1, 1996, on outstanding interest-bearing obligations of the United States with periods to maturity comparable to the period between October 1, 1996, and the repayment date for the old capital investment; and

8381(a)(6)(B). for a new capital investment, a rate determined by the Secretary of the Treasury, taking into consideration prevailing market yields, during the month preceding the beginning of the fiscal year in which the related project, facility, or separable unit or feature is placed in service, on outstanding interest-bearing obligations of the United States with periods to maturity comparable to the period between the beginning of the fiscal year and the repayment date for the new capital investment.
[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

8381(b). New principal amounts

8381(b)(1). Principle amount

Effective October 1, 1996, an old capital investment has a new principal amount that is the sum of--

8381(b)(1)(A). the present value of the old payment amounts for the old capital investment, calculated using a discount rate equal to the Treasury rate for the old capital investment; and

8381(b)(1)(B). an amount equal to \$ 100,000,000 multiplied by a fraction whose numerator is the principal amount of the old payment amounts for the old capital investment and whose denominator is the sum of the principal amounts of the old payment amounts for all old capital investments.

8381(b)(2). Determination

With the approval of the Secretary of the Treasury based solely on consistency with this section, the Administrator shall determine the new principal amounts under subsection (b) and the assignment of interest rates to the new principal amounts under subsection (c).

838l(b)(3). Old payment amounts

For the purposes of this subsection, "old payment amounts" means, for an old capital investment, the annual interest and principal that the Administrator would have paid to the United States Treasury from October 1, 1996, if this section had not been enacted, assuming that--

838l(b)(3)(A). the principal were repaid--

838l(b)(3)(A)(i). on the repayment date the Administrator assigned before October 1, 1994, to the old capital investment, or

838l(b)(3)(A)(ii). with respect to an old capital investment for which the Administrator has not assigned a repayment date before October 1, 1994, on a repayment date the Administrator shall assign to the old capital investment in accordance with paragraph 10(d)(1) of the version of Department of Energy Order RA 6120.2 in effect on October 1, 1994; and

838l(b)(3)(B). interest were paid--

838l(b)(3)(B)(i). at the interest rate the Administrator assigned before October 1, 1994, to the old capital investment, or

838l(b)(3)(B)(ii). with respect to an old capital investment for which the Administrator has not assigned an interest rate before October 1, 1994, at a rate determined by the Secretary of the Treasury, taking into consideration prevailing market yields, during the month preceding the beginning of the fiscal year in which the related project, facility, or separable unit or feature is placed in service, on outstanding interest-bearing obligations of the United States with periods to maturity comparable to the period between the beginning of the fiscal year and the repayment date for the old capital investment.
[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(c). Interest rate for new principle amounts

As of October 1, 1996, the unpaid balance on the new principal amount established for an old capital investment under subsection (b) bears interest annually at the Treasury rate for the old capital investment until the earlier of the date that the new principal amount is repaid or the repayment date for the new principal amount.
[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(d). Repayment dates

As of October 1, 1996, the repayment date for the new principal amount established for an old capital investment under subsection (b) is no earlier than the repayment date for the old capital investment assumed in subsection (b)(3)(A).
[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(e). Prepayment limitations

During the period October 1, 1996, through September 30, 2001, the total new principal amounts of old capital investments, as established under subsection (b), that the Administrator may pay before their respective repayment dates shall not exceed \$100,000,000.

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(f). Interest rates for new capital investments during construction

838l(f)(1). New capital investment

The principal amount of a new capital investment includes interest in each fiscal year of construction of the related project, facility, or separable unit or feature at a rate equal to the one year rate for the fiscal year on the sum of--

838l(f)(1)(A). construction expenditures that were made from the date construction commenced through the end of the fiscal year, and

838l(f)(1)(B). accrued interest during construction.

838l(f)(2). Payment

The Administrator is not required to pay, during construction of the project, facility, or separable unit or feature, the interest calculated, accrued, and capitalized under subsection (f)(1).

838l(f)(3). One-year rate

For the purposes of this section, "one year rate" for a fiscal year means a rate determined by the Secretary of the Treasury, taking into consideration prevailing market yields, during the month preceding the beginning of the fiscal year, on outstanding interest-bearing obligations of the United States with periods to maturity of approximately one year.

838l(g). Interest rates for new capital investments

The unpaid balance on the principal amount of a new capital investment bears interest at the Treasury rate for the new capital investment from the date the related project, facility, or separable unit or feature is placed in service until the earlier of the date the new capital investment is repaid or the repayment date for the new capital investment.

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(h). Omitted

838l(i). Contract provisions

In each contract of the Administrator that provides for the Administrator to sell electric power, transmission, or related services, and that is in effect after September 30, 1996, the Administrator shall offer to include, or as the case may be, shall offer to amend to include, provisions specifying that after September 30, 1996--

8381(i)(1). the Administrator shall establish rates and charges on the basis that--

8381(i)(1)(A). the principal amount of an old capital investment shall be no greater than the new principal amount established under subsection (b);

8381(i)(1)(B). the interest rate applicable to the unpaid balance of the new principal amount of an old capital investment shall be no greater than the interest rate established under subsection (c);

8381(i)(1)(C). any payment of principal of an old capital investment shall reduce the outstanding principal balance of the old capital investment in the amount of the payment at the time the payment is tendered; and

8381(i)(1)(D). any payment of interest on the unpaid balance of the new principal amount of an old capital investment shall be a credit against the appropriate interest account in the amount of the payment at the time the payment is tendered;

8381(i)(2). apart from charges necessary to repay the new principal amount of an old capital investment as established under subsection (b) and to pay the interest on the principal amount under subsection (c), no amount may be charged for return to the United States Treasury as repayment for or return on an old capital investment, whether by way of rate, rent, lease payment, assessment, user charge, or any other fee;

8381(i)(3). amounts provided under section 1304 of title 31, United States Code, shall be available to pay, and shall be the sole source for payment of, a judgment against or settlement by the Administrator or the United States on a claim for a breach of the contract provisions required by this Part; and

8381(i)(4). the contract provisions specified in this Part do not--

8381(i)(4)(A). preclude the Administrator from recovering, through rates or other means, any tax that is generally imposed on electric utilities in the United States, or

8381(i)(4)(B). affect the Administrator's authority under applicable law, including section 7(g) of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. §839e(g)), to--

8381(i)(4)(B)(i). allocate costs and benefits, including but not limited to fish and wildlife costs, to rates or resources, or

8381(i)(4)(B)(ii). design rates.

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(j). Savings provisions

838l(j)(1). Repayment

This subchapter does not affect the obligation of the Administrator to repay the principal associated with each capital investment, and to pay interest on the principal, only from the "Administrator's net proceeds," as defined in section 838k(b) of this title.

838l(j)(2). Payment of capital investment

Except as provided in subsection (e), this section does not affect the authority of the Administrator to pay all or a portion of the principal amount associated with a capital investment before the repayment date for the principal amount.

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

2. REVISIONS

This exhibit shall be revised by mutual agreement of the Parties to reflect additional products Longview purchases during the term of this Agreement.

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Exhibit E SCHEDULING

1. PURPOSE OF THIS EXHIBIT

The purpose of this exhibit is to identify power scheduling requirements and coordination procedures necessary for the delivery of electric power and energy sold under this Agreement. All provisions apply to Purchasing-Selling Entities (PSEs), including their authorized scheduling agent. Transmission scheduling arrangements are handled under separate agreements/provisions with the designated transmission provider. Nothing in this exhibit is intended to relieve the Parties of any obligation they may have under North American Electric Reliability Council (NERC) or Western Systems Coordinating Council (WSCC) policy, procedure, or guideline.

2. COORDINATION: GENERAL, PRESCHEDULE, REAL-TIME, AND AFTER-THE-FACT REQUIREMENTS

(a) General Requirements

- (1) The Parties may revise and replace this exhibit by mutual agreement. BPA shall also have the right to revise and replace this exhibit under the following circumstances after providing an opportunity for all affected Parties to discuss and comment on any proposed changes: (1) to comply with rules or orders issued by FERC, NERC, or WSCC; or (2) to implement changes reasonably consistent with standard industry practice, but necessary for BPA to administer its power scheduling function.
- (2) PSEs shall have staff available 24 hours a day for each day an active transaction or preschedule is in effect. PSE's must be prepared to verify transactions on an hourly basis if necessary.
- (3) PSEs shall complete the prescheduling and check out processes, and to verify Transactions and associated totals, per NERC tag, and BPA contract.
- (4) Inability to verify Transactions may result in schedule rejection or curtailment.
- (5) PSEs shall verify Transactions and totals after-the-fact (ATF) per both parties' ATF processes.
- (6) BPA is not obligated to accept Transactions that do not comply with the scheduling requirements in this exhibit or the contract.
- (7) Should a PSE attempt to preschedule a Transaction for power for which that PSE has an obligation to provide transmission and fails to properly reserve the transmission necessary to complete the

Transaction, the PSE will not be excused from its payment obligation, if any, under this Agreement.

- (8) All Transactions shall be stated in the time zone specified by WSCC and shall be in "hour-ending" format.
- (9) All Schedules, except Dynamic Schedules, will be implemented on an hourly basis using the standard ramp as specified by WSCC procedures.
- (10) Any power that is allowed to be resold at wholesale under this Agreement may only be resold if all characteristics of the product (e.g., Point of Receipt, shape, hours) are maintained in the resale.
- (11) Changes to telephone or fax numbers of key personnel (for Prescheduling, Real-Time, Control Area, or Scheduling Agents, etc.) must be submitted to BPA.

(b) **Prescheduling Requirements**

(1) **Information Required for Any Preschedule**

- (A) Unless otherwise mutually agreed, all Transactions will be submitted according to NERC instructions for E-tagging, as modified by WSCC.
- (B) When completing the NERC E-Tag insert the applicable BPA Contract number(s) in the "reference" column of the miscellaneous section of the tag.
- (C) Transactions going to or from California-Oregon Border (COB) must be identified as using Malin or Captain Jack, or COB Hub.

(2) **Preschedule Coordination**

- (A) Final hourly preschedules (verbal submission of E-tag information) must be submitted for the next day(s) by 1000 of each workday, unless otherwise agreed.
- (B) Typically, preschedules are for one to three days by mutual agreement of the parties, final preschedules may be requested for longer time periods to accommodate special scheduling requirements.
- (C) Under certain operating conditions, either party may require submission of estimated daily preschedules for an ensuing period up to 10 days in length, prior to the final preschedule.

(c) **Real-Time Requirements**

- (1) PSEs may not make Real-Time changes to the scheduled amounts, including transmission arrangements unless such changes are allowed under individual contract provisions or by mutual agreement.
- (2) If Real-Time changes to the Schedule become necessary, and are allowable as described in section 2(c)(1) above, PSEs must submit such request no later than 30 minutes prior to the hour for which the Schedule change becomes effective.
- (3) Multihour changes to the Schedule shall specify each hour to be changed and shall not be stated as "until further notice."
- (4) Emergency scheduling and notification procedures (including mid-hour changes) will be handled in accordance with NERC and WSCC procedures.

(d) **After-the-Fact Reconciliation Requirements**

PSEs agree to reconcile all Transactions, Schedules and accounts at the end of each month (as early as possible within the first 10 calendar days of the next month). The parties will verify all Transactions per BPA contract, as to product or type of service, hourly amounts, daily and monthly totals, and related charges.

3. DEFINITIONS AND ACRONYMS

Capitalized terms in this Exhibit shall have the meanings defined below, in context, or as used elsewhere in this Agreement.

- (a) **Control Area:** An electrical system bounded by interconnection (tie-line) metering and telemetry. It controls generation directly to maintain its interchange schedule with other control areas and contributes to frequency regulation of the interconnection.
- (b) **Hour Ending:** Designation for one hour periods of time based upon the time which the period ends. For example: the one hour period between 1300 and 1400 is referred to as Hour Ending 1400.
- (c) **Prescheduling:** The process (electronic, oral, and written) of establishing and verifying with all scheduling parties, advance hourly Transactions through the following Workday(s). Preschedules apply to the following day or days (if the following day or days are not Workday(s)).
- (d) **Purchasing-Selling Entity (PSE):** (NERC defined term). An entity that is eligible to purchase or sell energy or capacity and reserve transmission services.

- (e) **Real-Time:** The hourly or minute-to-minute operation and scheduling of a power system as opposed to those operations which are prescheduled a day or more in advance.
- (f) **Schedule:** The planned Transaction approved and accepted by all PSEs and Control Areas involved in the Transaction.
- (g) **Transaction:** An agreement arranged by a PSE to transfer energy from a seller to a buyer.
- (h) **Workday:** Any day BPA, other regional utilities, and PSEs observe as a working day.

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REYNOLDS METALS COMPANY

P. O. BOX 27003 • RICHMOND, VIRGINIA 23261-7003

March 11, 1997

Director, Energy Resources
Energy, Environment, Health & Safety
Department

Tele: (804) 281-4111
Fax: (804) 281-4950
PC Fax: (804) 287-8634
e-mail: kwyounge@lanmail.rmc.com

CONFIDENTIAL

Mr. Sydney D. Berwager
Senior Account Executive
Bonneville Power Administration - SH
700 N.E. Multnomah Avenue, Suite 400
Portland, Oregon 97232

Re: Surplus Firm/Idled Capacity Power Sales Agreement

Dear Syd:

Enclosed are two originals of the referenced Agreement, executed on behalf of Reynolds Metals Company. Please execute on behalf of Bonneville Power Administration and return one original to me for our files.

We would greatly appreciate your treating this data confidentially. Please advise us to what extent you are able to take measures to protect the confidentiality of this data.

This Agreement, as you know, provides Reynolds with rate incentives to bring idled capacity back into production during its term, without obligating Reynolds to do so. Even if Reynolds provides BPA with a restart schedule per Section 6(c), such schedule can be revised at least 1 month prior to the revised schedule becoming effective, unless otherwise agreed, or if such change is due to an Operational Problem.

Although this is the mutual understanding as confirmed by BPA, the parties also understand that any restart schedule submitted would be in good faith, and any changes in the schedule necessitated by previously unforeseen events would be communicated promptly to BPA.

Thank you for your cooperation in concluding this Agreement.

Sincerely,

Ken W. Younger

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Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 29, 1997

PROPRIETARY

In reply refer to: PS-6

Contract No. 97PB-10084

Mr. Ken W. Younger
Corporate Director of Energy Services
Reynolds Metals Company
6601 West Broad Street
Richmond, VA 23230

Dear Mr. Younger:

The Bonneville Power Administration (BPA) proposes to sell, pursuant to the Bonneville Project Act (16 U.S.C. 832) and the Federal Columbia River Transmission System Act (16 U.S.C. 838), certain amounts of Firm Power to Reynolds Metals Company (Reynolds) for the sole purpose of restarting an Idled Industrial Load. BPA's willingness to sell such Firm Power is based on the following considerations:

- This sale of Firm Power will help create economic development and jobs in the Pacific Northwest; and
- This sale of Firm Power will increase BPA's revenues, thereby enhancing BPA's ability to maintain the lowest possible rates for all of its customers.

Therefore, BPA proposes the following:

1. **TERM.** This Agreement shall become effective at hour ending (HE) 0100 on April 1, 1998, and shall continue in effect until HE 2400 on March 31, 1999. All obligations incurred hereunder shall remain in effect until satisfied.

2. **DEFINITIONS.** For the purposes of this Agreement, all capitalized terms that are not defined herein shall have the same definition as in the Power Sales Agreement (PSA), as defined in section 2(d).

(a) "Firm Power" shall have the same meaning as that term is defined in BPA's 1996 General Rate Schedule Provisions.

(b) "Idled Industrial Load" means plant capacity that is currently shut down for which there has been no previous request for an increase in service that would have been effective during the term of this Agreement.

(c) "Operational Problem" means a delay in restarting potlines due to unforeseen difficulties in obtaining and training personnel or achieving

sound operation of idle equipment. The economic hardship of either party shall not constitute an Operational Problem.

(d) "Power Sales Agreement" or "PSA" means Contract No. 95MS-94865 between BPA and Reynolds.

3. EXHIBITS. Exhibit A (1996 Wholesale Power and Transmission Rate Schedules) and Exhibit B (Startup Schedule) are attached hereto and made a part of this Agreement.

4. POINT OF DELIVERY. Firm Power deliveries shall be made at the point(s) of delivery specified in the PSA unless otherwise agreed.

5. RELATIONSHIP TO PSA. In addition to the increased load served hereunder, Reynolds shall continue to satisfy its purchase obligation as specified in section 9(b) of the PSA.

6. SALE OF FIRM POWER

(a) BPA shall sell and deliver, and Reynolds shall purchase, Firm Power to serve Idled Industrial Load.

(b) Except as provided for in section 6(d) and section 8, Reynolds shall purchase Firm Power hereunder on a "take-or-pay" basis; that is, Reynolds shall be obligated to either take delivery of such Firm Power and pay for such Firm Power or refuse delivery and pay BPA for the Firm Power.

(c) Reynolds shall provide a Startup Schedule for all potlines for which Reynolds desires to purchase Firm Power. Such schedule shall be as described in Exhibit B. Revisions to Exhibit B shall be submitted at least 1 month prior to the revised schedule becoming effective, unless otherwise agreed. If a change is due to an Operational Problem, BPA shall accept as little as 2 weeks' notice of revisions that affect the schedule of future startup activities.

(d) In the event that a Force Majeure, as described in section 23 of the PSA, or Maintenance Outage, as described in Exhibit A to the PSA, prevents or interrupts either party's performance herein, both parties shall be excused from performance to the extent that the Force Majeure or Maintenance Outage prevents or interrupts such performance for the duration of such Force Majeure or Maintenance Outage, and for the period required to restore the affected party's operations to the condition existing prior to the occurrence thereof.

(e) After Firm Power has been delivered and each individual potline restart has been completed (pursuant to the schedule shown in Exhibit B),

Reynolds shall pay BPA for such Firm Power pursuant to section 10 of this Agreement.

(f) **Demand Billing.** There shall be no Demand charge for deliveries under this Agreement.

(g) **Energy Billing.** For each month during the term of this Agreement, the billing energy under the PSA shall be the first block of energy (e.g., 571 megawattmonths (MW·mo) in Contract Year 1997-1998; 619 MW·mo in Contract Year 1998-1999) of Reynolds' metered load. Each increment of up to 50 MW·mo of billing energy in excess of above-referenced amounts shall be billed at the rate pursuant to the appropriate column in the pricing table of section 7 of this Agreement.

(h) **Take-or-Pay Obligation.** After the beginning of deliveries under the Startup Schedule, attached hereto as Exhibit B, the amount of Reynolds' take-or-pay obligation for any month shall be the maximum monthly amount of energy that was delivered during any previous month. Reynolds may, upon written notice to BPA, prior to any month, elect to take deliveries pursuant to the billing procedures and flexibilities described in the PSA and the Ancillary Products and Services (APS-96) rate schedule.

(i) This Agreement, and the Startup Schedule, are not intended to be the notice stipulated in section 9(c) of the PSA.

7. FIRM POWER RATE. Reynolds shall pay BPA, in accordance with the Firm Power Products and Services (FPS-96) rate schedule, the following rates for each 50 MW·mo increment of billing energy for Firm Power Amounts described in Exhibit B, as further described in section 6(g):

Month/Year	Rate for First 50 MW·mo ^{1/} (mills/kWh)	Rate for Second Increment ^{2/} (mills/kWh)
04/1998	10.82	10.32
05/1998	9.72	9.22
06/1998	9.72	9.22
07/1998	15.09	14.59
08/1998	21.02	20.52
09/1998	21.02	20.52
10/1998	17.14	16.84
11/1998	19.29	18.99
12/1998	21.36	21.06
01/1999	17.92	17.62
02/1999	15.85	15.55
03/1999	14.06	13.76

^{1/} Load regulation and UFT charges are not included in these rates.

2/ Rate for Firm Energy greater than 50 MW·mo and less than or equal to 100 MW·mo. Load regulation and UFT charges are not included in these rates.

8. CURTAILMENT FEE. Reynolds may curtail its obligation to purchase amounts of Firm Power under this Agreement to below the sum of its take-or-pay obligations. BPA shall relieve Reynolds of its take-or-pay obligation for Firm Power for any such curtailed amounts and Reynolds shall pay BPA a fixed curtailment fee of 2.5 mills per kilowatthour for each kilowatthour of such curtailed amount. Reynolds shall provide BPA as much notice as possible, but not less than 48 hours, of any curtailment of Firm Power usage.

9. RESERVES. During the term of this Agreement, BPA may interrupt deliveries of Firm Power for the reasons and in the manner as specified in section 17 of the PSA.

10. BILLING AND PAYMENT. The monthly amounts owed by Reynolds to BPA under this Agreement shall appear as a line item on Reynolds' monthly wholesale power bill.

11. DISCLAIMER. Except as specifically provided herein, nothing in this Agreement shall affect the rights or obligations of either BPA or Reynolds under other contracts and agreements.

12. ENTIRE AGREEMENT. This Agreement represents the parties' entire agreement as to providing incentive pricing for Reynolds' Idled Industrial Load, superseding all previous communications, representations, or agreements, either oral or written, between the parties. Any modification hereof shall be effective only if reflected in writing and signed by both parties.

13. DISPUTE RESOLUTION. Any disputes under this Agreement shall be resolved in accordance with the procedures in section 22 of the PSA, unless otherwise mutually agreed by the parties.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing both originals of this Agreement and return both of them to BPA. BPA will then execute both originals and return one original to Reynolds for its files.

Sincerely,

Sydney D. Berwager
Senior Account Executive

Name _____
(Print/Type)

Date of Execution _____

ACCEPTED:

REYNOLDS METALS COMPANY

By _____

Name _____ Jeremiah J. Sheehan
(Print/Type)

Title _____ Chairman of the Board
and Chief Executive Officer

Date _____

(PBLAN-PSC-W:\PSC\PM\CT\10084.DOC)

Exhibit B, Page 1 of 1
Contract No. 97PB-10084
Reynolds Metals Company
Effective at HE 0100 on April 1, 1998

STARTUP SCHEDULE

(PBLAN-PSC-W:\PSC\PM\CT\10084.DOC)



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

March 5, 1997

In reply refer to: PSB-DITT2

Contract No. 97PB-10077

Mr. Ken W. Younger
Corporate Director of Energy Services
Reynolds Metals Company
6601 West Broad Street
Richmond, VA 23230

Dear Mr. Younger:

The Bonneville Power Administration (BPA) proposes to sell, pursuant to the Bonneville Project Act (16 U.S.C. 832) and the Federal Columbia River Transmission System Act (16 U.S.C. 838), certain amounts of Firm Power to Reynolds Metals Company (Reynolds) for the sole purpose of restarting an Idled Industrial Load. BPA's willingness to sell such Firm Power is based on the following considerations:

- This sale of Firm Power will help create economic development and jobs in the Pacific Northwest; and
- This sale of Firm Power will increase BPA's revenues, thereby enhancing BPA's ability to maintain the lowest possible rates for all of its customers.

Therefore, BPA proposes the following:

1. **TERM.** This Agreement shall become effective at hour ending (HE) 0100 on April 1, 1997, and shall continue in effect until HE 2400 on March 31, 1998. All obligations incurred hereunder shall remain in effect until satisfied.

2. **DEFINITIONS.** For the purposes of this Agreement, all capitalized terms that are not defined herein shall have the same definition as in the Power Sales Agreement (PSA), as defined in section 2(d).

(a) "Firm Power" shall have the same meaning as that term is defined in BPA's 1996 General Rate Schedule Provisions.

(b) "Idled Industrial Load" means plant capacity that is currently shut down for which there has been no previous request for an increase in service that would have been effective during the term of this Agreement.

(c) "Operational Problem" means a delay in restarting potlines due to unforeseen difficulties in obtaining and training personnel or achieving sound operation of idle equipment. The economic hardship of either party shall not constitute an Operational Problem.

(d) "Power Sales Agreement" or "PSA" means Contract No. 95MS-94865 between BPA and Reynolds.

3. **EXHIBITS.** Exhibit A (1996 Wholesale Power and Transmission Rate Schedules) and Exhibit B (Startup Schedule) are attached hereto and made a part of this Agreement.

4. **POINT OF DELIVERY.** Firm Power deliveries shall be made at the point(s) of delivery specified in the PSA unless otherwise agreed.

5. **RELATIONSHIP TO PSA.** In addition to the increased load served hereunder, Reynolds shall continue to satisfy its purchase obligation as specified in section 9(b) of the PSA.

6. **SALE OF FIRM POWER**

(a) BPA shall sell and deliver, and Reynolds shall purchase, Firm Power to serve Idled Industrial Load.

(b) Except as provided for in section 6(d) and section 8, Reynolds shall purchase Firm Power hereunder on a "take-or-pay" basis; that is, Reynolds shall be obligated to either take delivery of such Firm Power and pay for such Firm Power or refuse delivery and pay BPA for the Firm Power.

(c) Reynolds shall provide a Startup Schedule for all potlines for which Reynolds desires to purchase Firm Power. Such schedule shall be as described in Exhibit B. Revisions to Exhibit B shall be submitted at least 1 month prior to the revised schedule becoming effective, unless otherwise agreed. If a change is due to an Operational Problem, BPA shall accept as little as 2 weeks' notice of revisions that affect the schedule of future startup activities.

(d) In the event that a Force Majeure, as described in section 23 of the PSA, or Maintenance Outage, as described in Exhibit A to the PSA, prevents or interrupts either party's performance herein, both parties shall be excused from performance to the extent that the Force Majeure or Maintenance Outage prevents or interrupts such performance for the duration of such Force Majeure or Maintenance Outage, and for the period required to restore the affected party's operations to the condition existing prior to the occurrence thereof.

(e) After Firm Power has been delivered and each individual potline restart has been completed (pursuant to the schedule shown in Exhibit B), Reynolds shall pay BPA for such Firm Power pursuant to section 10 of this Agreement.

(f) **Demand Billing.** There shall be no Demand charge for deliveries under this Agreement.

(g) **Energy Billing.** For each month during the term of this Agreement, the billing energy under the PSA shall be the first block of energy (e.g., 325 megawattmonths (MW·mo) in Contract Year 1996-1997; and 571 MW·mo in Contract Year 1997-1998) of Reynolds' metered load. Each increment of up to 50 MW·mo of billing energy in excess of above-referenced amounts shall be billed at the rate pursuant to the appropriate column in the pricing table of section 7 of this Agreement.

(h) **Take-or-Pay Obligation.** After the beginning of deliveries under the Startup Schedule, attached hereto as Exhibit B, the amount of Reynolds' take-or-pay obligation for any month shall be the maximum monthly amount of energy that was delivered during any previous month. Reynolds may, upon written notice to BPA, prior to any month, elect to take deliveries pursuant to the billing procedures and flexibilities described in the PSA and the Ancillary Products and Services (APS-96) rate schedule.

(i) This Agreement, and the Startup Schedule, are not intended to be the notice stipulated in section 9(c) of the PSA.

7. FIRM POWER RATE. Reynolds shall pay BPA, in accordance with the Firm Power Products and Services (FPS-96) rate schedule, the following rates for each 50 MW·mo increment of billing energy, as described in section 6(g):

Month/Year	Rate for First 50 MW·mo ^{1/} (mills/kWh)	Rate for Second Increment ^{2/} (mills/kWh)	Rate for Third Increment ^{3/} (mills/kWh)
04/1997	8.58	8.08	7.73
05/1997	8.31	7.81	7.46
06/1997	8.31	7.81	7.46
07/1997	12.09	11.59	11.24
08/1997	18.02	17.52	17.17
09/1997	18.02	17.52	17.17
10/1997	16.74	16.24	
11/1997	18.88	18.38	
12/1997	20.45	19.95	
01/1998	18.74	18.24	
02/1998	15.85	15.35	
03/1998	13.52	13.02	

^{1/} Load regulation and UFT charges are not included in these rates.

^{2/} Rate for Firm Energy greater than 50 MW·mo and less than or equal to 100 MW·mo. Load regulation and UFT charges are not included in these rates.

^{3/} Rate for Firm Energy greater than 100 MW·mo and less than or equal to 250 MW·mo. Load regulation and UFT charges are not included in these rates.

8. CURTAILMENT FEE. Reynolds may curtail its obligation to purchase amounts of Firm Power under this Agreement to below the sum of its take-or-pay obligations. BPA shall relieve Reynolds of its take-or-pay obligation for Firm Power for any such curtailed amounts and Reynolds shall pay BPA a fixed curtailment fee of 2.5 mills per kilowatthour for each kilowatthour of such curtailed amount. Reynolds shall provide BPA as much notice as possible, but not less than 48 hours, of any curtailment of Firm Power usage.

9. RESERVES. During the term of this Agreement, BPA may interrupt deliveries of Firm Power for the reasons and in the manner as specified in section 17 of the PSA.

10. BILLING AND PAYMENT. The monthly amounts owed by Reynolds to BPA under this Agreement shall appear as a line item on Reynolds' monthly wholesale power bill.

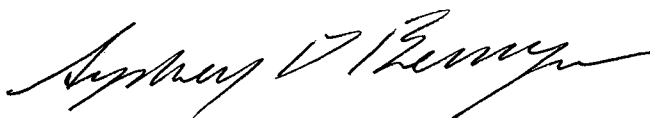
11. DISCLAIMER. Except as specifically provided herein, nothing in this Agreement shall affect the rights or obligations of either BPA or Reynolds under other contracts and agreements.

12. ENTIRE AGREEMENT. This Agreement represents the parties' entire agreement as to providing incentive pricing for Reynolds' Idled Industrial Load, superseding all previous communications, representations, or agreements, either oral or written, between the parties. Any modification hereof shall be effective only if reflected in writing and signed by both parties.

13. DISPUTE RESOLUTION. Any disputes under this Agreement shall be resolved in accordance with the procedures in section 22 of the PSA, unless otherwise mutually agreed by the parties.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing and returning both originals of this Agreement to BPA. We will send you one original for your files after we have signed the Agreement.

Sincerely,



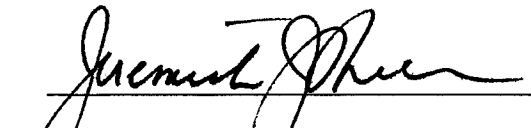
Sydney D. Berwager
Senior Account Executive

Name _____
(Print/Type)

Date of Execution 3/12/97

ACCEPTED:

REYNOLDS METALS COMPANY

By 

Name Jeremiah J. Sheehan
(Print/Type)

Title Chairman of the Board
and Chief Executive Officer

Date 3/10/97

(PBLAN-PSC-W:\PSC\PM\CT\10077.DOC)



REYNOLDS METALS COMPANY

Primary Metals Division
Troutdale, Oregon 97060-9499 • (503)665-9171

March 31, 1998

CONFIDENTIAL

Mr. Sydney D. Berwager
Senior Account Executive
Power Business PS-6
Bonneville Power Administration
905 NE 11th Avenue
Portland, OR 97232

Re: Contract No. 97PB-10077 - *Ex H B, Rev 5*

Dear Syd:

Due to disappointing business conditions, Reynolds has found it necessary to revise its restart schedule in accordance with Section 6(c) of the referenced agreement. Please find attached a revised start-up schedule (Exhibit B - Revision 5) showing the last four potline restarts that were scheduled for May 1, 1998; July 1, 1998; September 1, 1998 and November 1, 1998 will now be scheduled one month later to June 1, 1998; August 1, 1998; October 1, 1998 and December 1, 1998.

Remarketing of power will be necessary in May 1998 and July 1998 under this revised schedule.

Even with Reynolds' submission of Exhibit B - Revision 5, such schedule can be revised again if necessary, at least one month prior to the revised schedule becoming effective, unless otherwise agreed, or if such change is due to an Operational Problem.

We understand you will treat this information with the utmost confidentiality.

Exhibit B - Revision 5 is being submitted in good faith and any changes in the schedule necessitated by previously unforeseen events will be communicated promptly to BPA.

Sincerely,

REYNOLDS METALS COMPANY

Dan Ten Eyck
Northwest Power Manager

ja
attachment



Registered Firm
ISO 9002:1994/Q9002-1994
Certificate QSR-465

QS-9000:February 1995
Certificate QSR-QS-010

EXHIBIT B - Revision 5

RESTART SCHEDULE

Reynolds Metals Company
3/31/98

CONFIDENTIAL

Month	Plant Load Start of Mo. (MW)	Restart Projection (MW)	Plant Load End of Mo. (MW)
Oct	325	0	325
Nov	325	0	325
Dec	325	0	325
Jan '98	325	4	329
Feb	329	52	381
Mar	381	48	429
Apr	429	47	476
May	476	0	476
Jun	476	48	524
Jul	524	0	524
Aug	524	48	572
Sep	572	0	572
Oct	572	48	620
Nov	620	0	620
Dec	620	48	668
Jan '99	668	0	668
Feb	668	0	668
Mar	668	0	668
Apr	668	0	668



REYNOLDS METALS COMPANY

Primary Metals Division
Troutdale, Oregon 97060-9499 • (503)665-9171

January 21, 1998

CONFIDENTIAL

Mr. Sydney D. Berwager
Senior Account Executive
Power Business PS-6
Bonneville Power Administration
905 NE 11th Avenue
Portland, OR 97232

Dear Syd:

Reynolds is making plans for restarting the two idle potlines at Longview. As indicated on Ken Younger's letter and Exhibit B, Revision 4, dated January 15, we plan to restart Potline J and have it at full load early in March and Potline L at full load early in April.

The actual dates of energization for the two lines will probably be February 20 for Potline J and March 22 for Potline L. The start-up curve showing about seven or eight days from energization until full load was sent to you several months ago. We are now double checking that curve and will send it to you again.

Thank you for your assistance in providing power for these restarts.

Sincerely,

REYNOLDS METALS COMPANY

Dan Ten Eyck
Northwest Power Manager

ja



Registered Firm
ISO 9002 1994/1994
Certificate QSR-465
QSR-465 February 1995
Certificate QSR-QS-010

TOTAL P.01

Proposed startup curves for J and L lines

Energize line at 12,000 amps, and ramp up 1000 amps per hour
Hold for 4 hours at 40,000 amps and again at 58,000 amps

Voltage will float, attached curve is from past startups

Longview Restarts

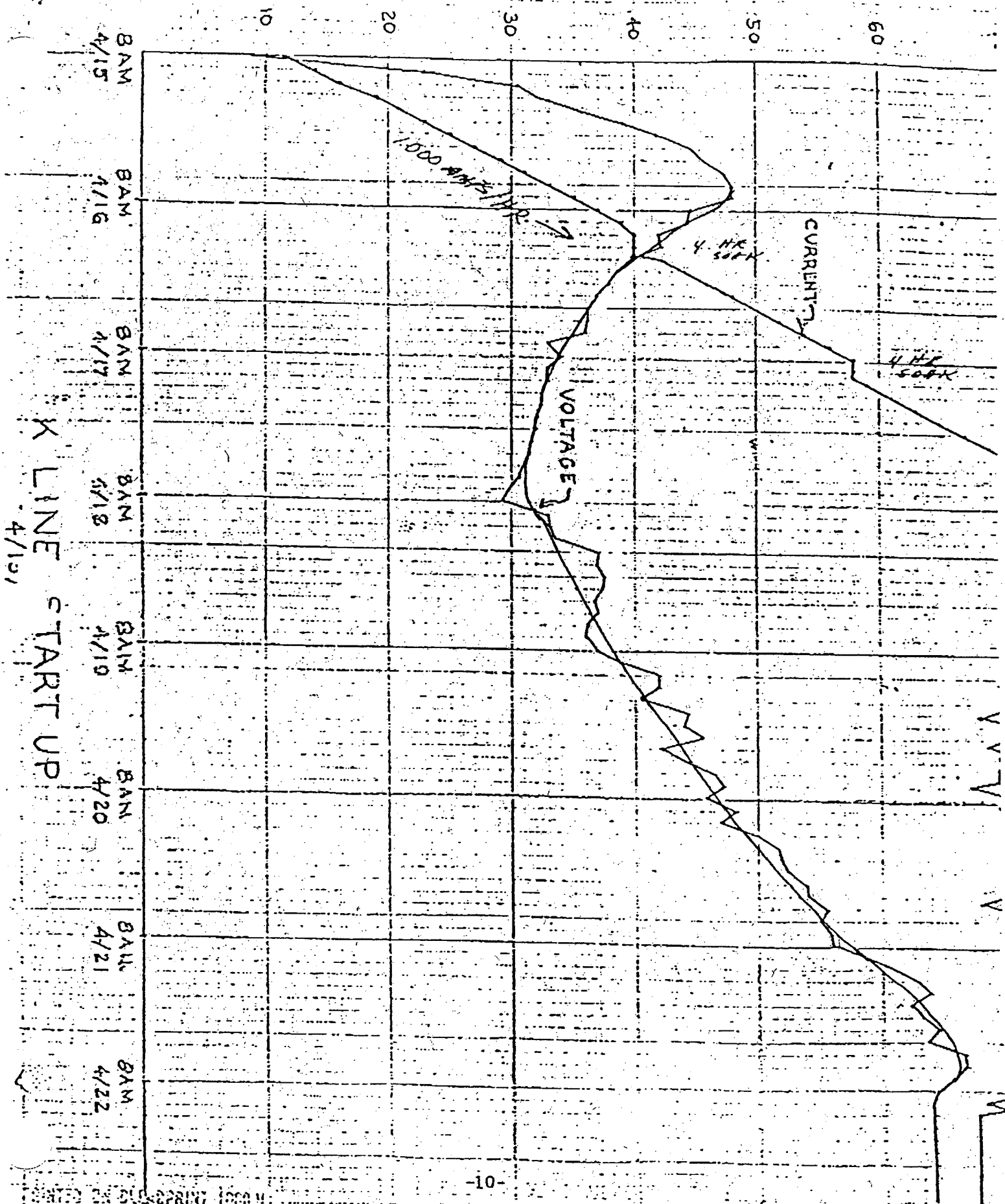
Assume for the first line restarted, a mill load of 2.5 mw will be energized at the beginning. On the second line restart a mill load of 1.5 mw will be energized at the beginning.

Hour	amps	volts	kva
0	12,000	100	1200
1	13,000	150	1950
2	14,000	200	2800
3	15,000	250	3750
4	16,000	300	4800
5	17,000	315	5355
6	18,000	330	5940
7	19,000	345	6555
8	20,000	360	7200
9	21,000	375	7875
10	22,000	390	8580
11	23,000	405	9315
12	24,000	420	10080
13	25,000	430	10750
14	26,000	440	11440
15	27,000	450	12150
16	28,000	457	12796
17	29,000	465	13485
18	30,000	475	14250
19	31,000	478	14818
20	32,000	480	15360
21	33,000	480	15840
22	34,000	478	16252
23	35,000	470	16450
24	36,000	455	16380
Day 2			
25	37,000	448	16576
26	38,000	441	16758
27	39,000	434	16926
28	40,000	428	17120
29	40,000	422	16880
30	40,000	416	16640
31	40,000	410	16400
32	41,000	404	16564
33	42,000	398	16716
34	43,000	393	16899
35	44,000	388	17072
36	45,000	383	17235
37	46,000	378	17388
38	47,000	373	17531
39	48,000	368	17664
40	49,000	363	17787
41	50,000	360	18000

Sheet1

91	70,000	376	26320
92	70,000	379	26530
93	70,000	382	26740
94	70,000	385	26950
95	70,000	388	27160
96	70,000	391	27370
Day 5			
97	70,000	394	27580
98	70,000	397	27790
99	70,000	400	28000
100	70,000	403	28210
101	70,000	407	28490
102	70,000	410	28700
103	70,000	414	28980
104	70,000	417	29190
105	70,000	421	29470
106	70,000	424	29680
107	70,000	428	29960
108	70,000	431	30170
109	70,000	434	30380
110	70,000	438	30660
111	70,000	441	30870
112	70,000	445	31150
113	70,000	448	31360
114	70,000	451	31570
115	70,000	455	31850
116	70,000	458	32060
117	70,000	461	32270
118	70,000	465	32550
119	70,000	469	32830
120	70,000	472	33040
Day 6			
121	70,000	476	33320
122	70,000	480	33600
123	70,000	484	33880
124	70,000	488	34160
125	70,000	492	34440
126	70,000	496	34720
127	70,000	500	35000
128	70,000	504	35280
129	70,000	508	35560
130	70,000	512	35840
131	70,000	516	36120
132	70,000	520	36400
133	70,000	524	36680
134	70,000	530	37100
135	70,000	535	37450
136	70,000	540	37800
137	70,000	545	38150
138	70,000	550	38500
139	70,000	555	38850

AMPS X 1000





REYNOLDS METALS COMPANY

P. O. BOX 27003 • RICHMOND, VIRGINIA 23261-7003

Director, Energy Procurement &
Production

January 15, 1998

Tele: (804) 281-4111
Fax: (804) 281-4950
PC Fax: (804) 287-8634
e-mail: kwyounge@lanmail.rmc.com

CONFIDENTIAL

Mr. Sydney D. Berwager
Senior Account Executive
Power Business PS-6
Bonneville Power Administration
905 NE 11th Avenue
Portland, Oregon 97232

Re: Contract No 97PB-10077

Dear Syd:

Reynolds' last submission to BPA of a restart schedule (Exhibit B - Revision 3) was sent to you on October 14, 1997. That schedule contemplated a potline restart at Longview in February and March, followed by a Troutdale potline in April, 1998. Reynolds has since made a decision to commence a 90-day restart schedule for Line 5 at Troutdale, calling for the potline to be on stream by February 15, 1998.

In November, Dan Ten Eyck sent you by fax the 90-day restart schedule for Line 5 and a power curve showing the planned ramp up of power. Dan reminded you by phone in December that the Line 5 restart required more power (56 MW vs. 48MW) than shown on the Exhibit B - Revision 3 Restart schedule.

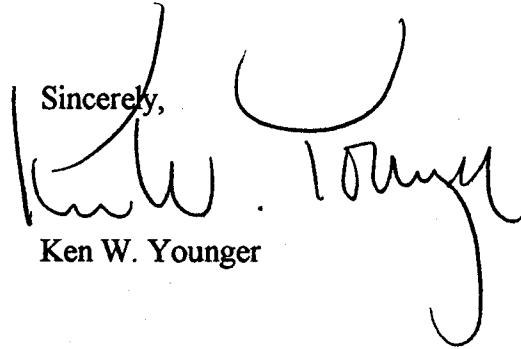
After a phone conversation with Bonita Lossner on January 9, 1998, and after experiencing higher than anticipated load being used to warm up long-idled equipment in the dead of winter, Dan faxed a revised restart power curve to Bonita on January 9, 1998.

Today, I am sending you Exhibit B - Revision 4, in order to formalize the changes necessary to the Exhibit B - Revision 3 restart schedule.

We understand you will treat this information with the utmost confidentiality.

This Exhibit B - Revision 3 is being submitted in good faith, and any changes in the schedule necessitated by previously unforeseen events will be communicated promptly to BPA.

Sincerely,

A handwritten signature in black ink, appearing to read "Ken W. Younger". The signature is fluid and cursive, with a large, sweeping "K" and a long, trailing "y".

Ken W. Younger

cc: D. TenEyck
F7.005.doc

Exhibit B Revision 3		Restart Schedule		Reynolds Metals Company	
					10/14/97
		CONFIDENTIAL			
Month		Plant Load		Restart	
		Start of mo.		Projection	
		(MW)		(MW)	
Oct		325		0	325
Nov		325		0	325
Dec		325		0	325
Jan '98		325		0	325
Feb		325		48	373
Mar		373		47	420
April		420		56	476
May		476		48	524
Jun		524		0	524
Jul		524		48	572
Aug		572		0	572
Sept		572		48	620
Oct		620		0	620
Nov		620		48	668
Dec		668		0	668
Jan '99		668		0	668
Feb		668		0	668
Mar		668		0	668
Apr		668		0	668
F6.0671.xls					



REYNOLDS METALS COMPANY

P. O. BOX 27003 • RICHMOND, VIRGINIA 23261-7003

October 14, 1997

Director, Energy Procurement &
Production

CC: B. LOSSNER
H. Clark
D. O'DRANE

Tele: (804) 281-4111
Fax: (804) 281-4950
PC Fax: (804) 287-8634
e-mail: kwyounge@lanmail.rmc.com

CONFIDENTIAL

Mr. Sydney D. Berwager
Senior Account Executive
Power Business PS-6
Bonneville Power Administration
905 NE 11th Avenue
Portland, Oregon 97232

Re: Contract No 97PB-10077

Dear Syd:

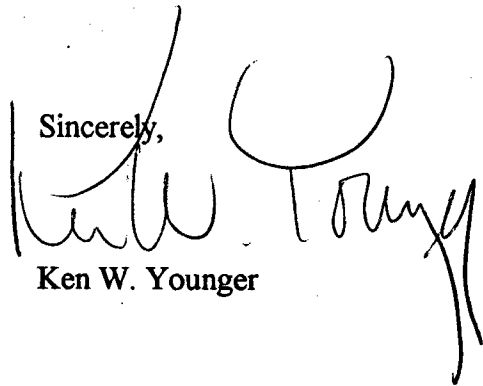
Per Section 6(c) of the referenced Agreement, and per the temporary waiver granted in your letter dated September 30, 1997, Reynolds is hereby revising its restart schedule. Please find attached a revised startup schedule (Exhibit B - Revision 3) showing Reynolds' first potline restart now scheduled for February, 1998. Remarketing fees, per Section 18(a) of the Power Sales Agreement, shall be waived from October 1, 1997 through January 1998 and any future remarketing fees shall be computed based upon this newly submitted load schedule. Even with Reynolds' submission of Exhibit B - Revision 3, such schedule can be revised again if necessary, at least one month prior to the revised schedule becoming effective, unless otherwise agreed, or if such change is due to an Operational Problem.

Per Section 9(c) of the Power Sales Agreement, Reynolds is hereby giving BPA notice that Reynolds desires to increase its Take-or-Pay obligations. Reynolds agrees to purchase 668 average megawatts for the period April 1999 through September 2001.

We understand you will treat this information with the utmost confidentiality.

Even with Reynolds' submission of this revised schedule, such schedule can be revised again if necessary at least one month prior to the revised schedule becoming effective, unless otherwise agreed or if such change is due to an operational problem.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ken W. Younger', with a large, stylized flourish at the end.

Ken W. Younger

cc: D. Ten Eyck
F7.020.doc

Exhibit B Revision 3		Restart Schedule		Reynolds Metals Company	
					10/14/97
		CONFIDENTIAL			
Month		Plant Load		Restart	Plant Load
		Start of mo.		Projection	End of mo.
		(MW)		(MW)	(MW)
Oct		325		0	325
Nov		325		0	325
Dec		325		0	325
Jan '98		325		0	325
Feb		325		48	373
Mar		373		47	420
April		420		56	476
May		476		48	524
Jun		524		0	524
Jul		524		48	572
Aug		572		0	572
Sept		572		48	620
Oct		620		0	620
Nov		620		48	668
Dec		668		0	668
Jan '99		668		0	668
Feb		668		0	668
Mar		668		0	668
Apr		668		0	668
F6.0671.xls					



REYNOLDS METALS COMPANY

P. O. BOX 27003 • RICHMOND, VIRGINIA 23261-7003

August 29, 1997

Director, Energy Procurement &
Production

Tele: (804) 281-4111

Fax: (804) 281-4950

PC Fax: (804) 287-8634

e-mail: kwyounge@lanmail.rmc.com

CONFIDENTIAL

Mr. Sydney D. Berwager
Senior Account Executive
Power Business PS-6
Bonneville Power Administration
905 NE 11th Avenue
Portland, Oregon 97232

Re: Contract No 97PB-10077

Dear Syd:

Per Section 6(c) of the referenced Agreement, Reynolds is hereby revising the restart schedule as submitted in my letter to you dated May 29, 1997. Please find attached a revised start up schedule (Exhibit B - Revision 2) showing Reynolds' first potline restart now scheduled for November, 1997. Even with Reynolds' submission of Exhibit B - Revision 2, such schedule can be revised again if necessary, at least one month prior to the revised schedule becoming effective, unless otherwise agreed, or if such change is due to an Operational Problem.

We understand you will treat this information with the utmost confidentiality.

This Exhibit B - Revision 2 is being submitted in good faith, and any changes in the schedule necessitated by previously unforeseen events will be communicated promptly to BPA.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ken W. Younger', with a large, stylized loop at the end.

Ken W. Younger

F6.057.doc

[illegible]

BLOCK POWER SALES AGREEMENT
executed by the
BONNEVILLE POWER ADMINISTRATION
and
ALCOA INC.

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This BLOCK POWER SALES AGREEMENT (Agreement) is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA), and ALCOA INC. (Alcoa). Alcoa is a corporation organized under the laws of the State of Pennsylvania.

RECITALS

This Agreement will replace Contract No. DE-MS79-81BP-90343.

BPA has administratively divided its organization into two business lines in order to functionally separate the administration and decisionmaking activities of BPA's power business from the administrative and decisionmaking activities of its transmission business. References in this Agreement to the Power Business Line (PBL) are solely for the purpose of establishing which BPA business line is responsible for the administration of this Agreement.

BPA and Alcoa agree:

1. TERM

This Agreement takes effect on the date signed by the Parties (Execution Date). Performance by the Parties, (except for the preparatory actions for performance) shall commence on October 1, 2001, and shall continue through September 30, 2006 (Expiration Date).

2. DEFINITIONS

Capitalized terms in this Agreement shall have the meanings defined below, in the exhibits or in context. All other capitalized terms and acronyms are defined in BPA's applicable Wholesale Power Rate Schedule(s), including the General Rate Schedule Provisions (GRSPs).

- (a) "Amounts Taken" means an amount deemed equal to the amount of power scheduled by Alcoa under section 7 of this Agreement or an amount of power as measured at Points of Measurement, as appropriate.
- (b) "Contract Year" means the period that begins each October 1 and which ends the following September 30. For instance Contract Year 2002 begins October 1, 2001, and continues through September 30, 2002.
- (c) "Contracted Power" means Firm Power and Surplus Firm Power provided under this Agreement.
- (d) "Diurnal" means the division of hours of the day between Heavy Load Hours (HLH) and Light Load Hours (LLH).
- (e) "Firm Power" means electric power that PBL will make continuously available to Alcoa under this Agreement.
- (f) "Northwest Power Act" means the Pacific Northwest Electric Power Planning and Conservation Act of 1980, P.L. 96-501.
- (g) "Party" or "Parties" means PBL and/or Alcoa.

- (h) "Planned Maintenance Outage" means a reduction in Total Plant Load due to periodic or routine plant maintenance that is typical for Alcoa's industry. Planned Maintenance Outages shall not exceed 10 days per year, unless otherwise agreed to by BPA.
- (i) "Points of Measurement" means the interconnection points between BPA, Alcoa and other control areas, as applicable. Electric power amounts are established at these points based on metered amounts or scheduled amounts, as appropriate.
- (j) "Point of Receipt" means the points of interconnection on the transmission provider's transmission system where Contracted Power will be made available to Alcoa's transmission provider by PBL.
- (k) "Power Business Line" or "PBL" means that portion of the BPA organization or its successor that is responsible for the management and sale of BPA's Federal power.
- (l) "Region" means the definition established for "Region" in the Northwest Power Act.
- (m) "Total Plant Load" means all electric power consumption including electric system losses, at Alcoa's production facilities as measured at Points of Measurement. No distinction is made between load that is served with Contracted Power and load that is served with electric power from other sources.
- (n) "Transmission Business Line" or "TBL" means that portion of the BPA organization or its successor that is responsible for the management and sale of transmission service on the Federal Columbia River Transmission System (FCRTS).

3. APPLICABLE RATES

- (a) Purchases under this Agreement may be subject to more than one rate schedule. The Industrial Firm Power (IP-02), the Cost-Based Indexed (Indexed Rate), and Firm Power Products and Services (FPS) rate schedules, including the GRSPs, apply to power purchases under this Agreement. Purchases under each rate schedule are established as follows:
 - (1) IP-02 Rate. Section 4 of the body of this Agreement, Exhibit B (Billing), and Exhibit C, Power Rate identify Contracted Power amounts, rates and billing entitlements subject to the IP-02 Rate schedule.
 - (2) Indexed Rate. Section 4 of the body of this Agreement, Exhibit B, Billing, and Exhibit C, Power Rate, identify Contracted Power amounts, rates, and billing entitlements subject to the Indexed Rate.

- (3) **FPS.** Except when otherwise specified in this Agreement Exhibit D (Additional Products, Services, and Special Provisions) identifies amounts, rates and billing entitlements subject to the FPS rate schedule.

(b) **Determination of Indexed Rate**

If Alcoa elects to purchase under the Indexed Rate, the determination of the Indexed Rate shall be based on four aluminum price forecast (APF) quotes from four independent dealers. An Average APF, based on the arithmetic mean of these four quotes, shall be included in section 1 of Exhibit C for the purpose of determining the Indexed Rate for each month. The Average APF shall be determined for the period that begins on October 1, 2001, and continues through September 30, 2006. Following are the provisions for establishing the Average APF.

(1) **First Option to Select Average APF**

Alcoa may notify BPA that it wishes to review an Average APF up to 30 days after the Execution Date, if Alcoa provides BPA with 24 hours advance written notice of the day on which the Average APF is to be determined. If Alcoa chooses to lock in the Average APF on that day, then the Parties shall revise Exhibit C to set the parameters for determining the Indexed Rate.

(2) **Second Option to Select Average APF**

If Alcoa does not select an Average APF pursuant to section 3(b)(1) above, then Alcoa shall have a second opportunity to select an Average APF. Within 90 days following the later of the Execution Date or if exercised, the date on which the Average APF was determined under section 3(b)(1) above, Alcoa may choose to look at another Average APF, by providing BPA with 24 hours advance written notice prior to the day it has chosen to establish such Average APF. If, on the day that the Average APF is established, Alcoa chooses to purchase under the Indexed Rate, then the Parties shall revise Exhibit C to set the parameters for the calculation of the Indexed Rate. If Alcoa chooses not to purchase under the Indexed Rate, then the Parties shall revise Exhibit C to include the applicable IP-02 Rates.

(3) **Sources of APF Quotes**

If Alcoa selects an Average APF and chooses to purchase under the Indexed Rate pursuant to section 3(b)(1) or 3(b)(2) above, then if requested, BPA will identify the sources of the four APF quotes within 60 days following the date that such Average APF is established.

(4) **Principles Used to Establish Average APF**

- (A) APF quotes shall be set only on business days in which the London Metals Exchange is in session.

- (B) BPA may add (up to) 2 cents to the Average APF, but such Average APF will not be set above 74.0 cents or below 66.0 cents.
 - (C) The APF quotes shall be provided by four dealers with whom BPA has an effective International Swap Dealers Agreement. The Average APF, plus any adder pursuant to section 3(b)(4)(B) above, will be rounded to the nearest 10th of a cent per pound.
 - (D) Each APF quote will be based on the actual volumetric exposure to BPA represented by the DSIs seeking an Average APF on the date the four APFs quotes are offered (i.e., transactable prices based on size).
 - (E) The Average APF established by BPA will be final.
- (5) **Lower Rate Limit Curtailment Take-or-Pay Waiver Option**
Alcoa shall have a one-time option to elect the "Lower Rate Limit Curtailment Take-or-Pay Waiver Option." If Alcoa elects this option, an amount of its purchase obligation, as determined in section 6(b) below, shall be waived if the Indexed Rate is at the Lower Rate Limit at the time of a curtailment. Additional terms related to this waiver are described in section 6(b).

If the Lower Rate Limit Curtailment Take-or-Pay Waiver Option is elected, then such option shall remain in effect for the entire term of this Agreement.

- (6) **Waiver of Termination Rights**
If Alcoa elects to purchase under the Indexed Rate pursuant to this Agreement, then Alcoa shall waive any and all rights to terminate this Agreement pursuant to section 17 below.

4. **INDUSTRIAL FIRM POWER PRODUCT** **REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION**

5. **CURTAILMENT AND LOAD MANAGEMENT**

- (a) **Curtailment**
If Alcoa curtails Total Plant Load in whole or in part, then Alcoa may request take-or-pay mitigation for purchases under section 4 pursuant to section 6(a) below.
- (b) **Short-Term Load Management Interruptions Under Separate Agreements**
Nothing in this Agreement shall preclude BPA and Alcoa from entering into

separate agreements that provide for short-term load management interruption(s) of BPA deliveries to Alcoa.

6. TAKE-OR-PAY MITIGATION/RELIEF FROM TAKE-OR-PAY

(a) Take-or-Pay Mitigation for Curtailments

If Alcoa chooses to curtail its purchase obligation pursuant to section 5(a) above, then the following terms and conditions shall apply:

(1) Notice of Curtailment

Alcoa shall endeavor to provide notice to BPA at least seven (7) business days in advance of a curtailment; **provided, however**, that such notice shall in no event be less than three (3) business days prior to the beginning of a curtailment. Such notice shall specify the amount of power to be curtailed (Purchase Deficiency) and the duration of the curtailment. The election to curtail such power, and the amount and duration of such curtailment, may not be changed without BPA's consent.

(2) Limitation on Damages

Alcoa shall pay BPA damages for any Purchase Deficiency equal to the amount by which the reasonable market value of such Purchase Deficiency is less than the price of the applicable IP-02 or Indexed Rate. Following are two options for the calculation of such damages, if any.

(A) Except for circumstances established in section 6(a)(2)(B) below, damages shall be calculated as follows: No later than sixty (60) business days after the end of each Contract Year, BPA shall calculate the reasonable market value of any Purchase Deficiency due to a curtailment, taking into account the differing market values for each day in any month in which there was a Purchase Deficiency during each such Contract Year. Alcoa shall pay BPA damages equal to the amount by which the sum of the product of the monthly purchase deficiencies and the applicable IP-02 or Indexed Rate exceeds the sum of the product of the monthly purchase deficiencies, and the reasonable market value in each month. BPA is not obligated to pay Alcoa the difference when the reasonable market value exceeds the applicable IP-02 or Indexed Rate schedule.

(B) BPA shall obtain a transactable quote for such power from a third-party. If Alcoa notifies BPA that such quote is unacceptable within 24 hours after BPA provides Alcoa such quote, then damages shall be calculated according to 6(a)(2)(A) above. Otherwise, such quote shall be deemed equal to the reasonable market value of such power for the purpose of

calculating damages under this section 6(a)(2)(B). Further, BPA shall not be obligated to resell the Purchase Deficiency to the third-party that provided the quote and may retain the power or dispose of the power as it chooses. Alcoa shall pay BPA damages equal to the amount by which the sum of the product of the amount of the monthly Purchase Deficiency subject to this election and the applicable IP-02 or Indexed Rate exceeds the reasonable market value established by the quote. BPA is not obligated to pay Alcoa the difference when the reasonable market value exceeds the applicable IP-02 or Indexed Rate schedule.

(b) **Take-or-Pay Mitigation for Use of Lower Rate Limit Curtailment Take-or-Pay Waiver Option**

If Alcoa is purchasing under the Indexed Rate, then, for any waivers that occur pursuant to the terms of section 3(b)(5) above, the following provisions shall apply:

- (1) The amount of purchase obligation waived ("Waived Amount") shall not exceed the amount of Total Plant Load curtailed multiplied by a ratio equal to the Total Plant Load that BPA was serving during the month prior to the curtailment, divided by the Total Plant Load.
- (2) The Waived Amount shall be waived for the remaining term of this Agreement, and therefore BPA shall be relieved of its obligation to make available such amount of power for the remaining term of this Agreement, unless otherwise agreed to by the Parties.

(c) **Planned Maintenance Outages**

No less than seven days prior to the beginning of a Planned Maintenance Outage Alcoa shall provide BPA with written notice that specifies the duration of the Planned Maintenance Outage and the amount of purchase obligation that is to be reduced. If Alcoa provides BPA with written notice, Alcoa may reschedule amounts of Contracted Power that are not received due to a Planned Maintenance Outage. Such amounts may only be rescheduled during months when the IP-02 rate is less than or equal to the rate in effect when the Planned Maintenance Outage occurred. All other provisions relating to delivery shall be as mutually agreed to by the Parties.

7. SCHEDULING

All Contracted Power transactions under this Agreement shall be scheduled and implemented consistent with Exhibit E, Scheduling. The procedures for scheduling described in Exhibit E, Scheduling, are the standard utility procedures followed by BPA for power transactions between PBL and other utilities or entities in the Region that require scheduling.

8. DELIVERY

(a) **Transmission Service for Contracted Power**

This Agreement does not provide transmission services for, or include the delivery of, Contracted Power to Alcoa. Alcoa shall be responsible for executing one or more wheeling agreements with a transmission supplier for the delivery of Contracted Power (Wheeling Agreement). The Parties agree to take such actions as may be necessary to facilitate the delivery of Contracted Power to Alcoa consistent with the terms, notice, and the time limits contained in the Wheeling Agreement.

(b) **Liability for Delivery**

Alcoa waives any claims against PBL arising under this Agreement for nondelivery of power to any points beyond the applicable Points of Receipt. PBL shall not be liable for any third-party claims related to the delivery of power after it leaves the Points of Receipt. In no event will either Party be liable under this Agreement to the other Party for damage that results from any sudden, unexpected, changed, or abnormal electrical condition occurring in or on any electric system, regardless of ownership. These limitations on liability apply regardless of whether or not this Agreement provides for transfer service.

(c) **Points of Receipt**

PBL shall make Contracted Power available to Alcoa under this Agreement at Points of Receipt solely for the purpose of scheduling transmission to points of delivery for service to Alcoa's Total Plant Load. Alcoa shall schedule, if scheduling is necessary, such Contracted Power solely for use by its Total Plant Load. PBL, for purposes of scheduling transmission for delivery under this Agreement, specified Points of Receipt in a written notice to Alcoa prior to August 1, 2000.

If required by the Wheeling Agreement when PBL designates such Points of Receipt, PBL will provide capacity amounts for transmission under the Wheeling Agreement associated with the initial Points of Receipt that can be accepted as firm Points of Receipt under Alcoa's Wheeling Agreement (except in the event that all Points of Receipt on the Federal Columbia River Power System (FCRPS) would be considered nonfirm). The sum of capacity amounts requested by PBL shall not exceed the amount of Contracted Power specified in section 4 of this Agreement. Such Points of Receipt and their capacity amounts may only be changed through mutual agreement. However, at any time PBL may request the use of a nonfirm Point of Receipt to provide Contracted Power to Alcoa, but not withstanding section 8(b) above, PBL shall reimburse Alcoa for any additional costs or production losses incurred by Alcoa due to its compliance with such request.

(d) **Transmission Losses**

PBL shall provide Alcoa the losses between the Points of Receipt and Alcoa's distribution facilities for Contracted Power, at no additional charge. Losses

will be provided at Points of Receipt as established under section 8(c), and under the terms and conditions as defined in the transmission provider's tariff.

9. MEASUREMENT

- (a) Amounts Taken are deemed equal to the amount scheduled by Alcoa under section 7 of this Agreement or an amount of power as measured at Points of Measurement, as appropriate.
- (b) Alcoa shall provide reasonable notice to PBL prior to changing control areas.

10. BILLING AND PAYMENT

- (a) **Billing**

PBL shall bill Alcoa monthly, consistent with applicable BPA rates, including the GRSPs and the provisions of this Agreement for the Amounts Taken, payments pursuant to section 5, and other services provided to Alcoa in the preceding month or months under this Agreement. PBL may send Alcoa an estimated bill followed by a final bill. PBL shall send all bills on the bill's issue date either electronically or by mail, at Alcoa's option. If electronic transmittal of the entire bill is not practical, PBL shall transmit a summary electronically, and send the entire bill by mail.
- (b) **Payment**

Payment of all bills, whether estimated or final, must be received by the 20th day after the issue date of the bill (Due Date). If the 20th day is a Saturday, Sunday, or Federal holiday, the Due Date is the next business day. If payment has been made on an estimated bill before receipt of a final bill for the same month, Alcoa shall pay only the amount by which the final bill exceeds the payment made for the estimated bill. PBL shall provide Alcoa the amounts by which an estimated bill exceeds a final bill through either a check or as a credit on the subsequent month's bill. After the Due Date, a late payment charge shall be applied each day to any unpaid balance. The late payment charge is calculated by dividing the Prime Rate as reported in the Money Rates section of Wall Street Journal, plus 4 percent; by 365. The applicable Prime Rate shall be the rate reported on the first day of the month in which payment is received. Alcoa shall pay by electronic funds transfer using BPA's established procedures. PBL may terminate this Agreement if Alcoa is more than three months behind in paying its bills under this Agreement and Alcoa cannot demonstrate an ability to make the payments owed.
- (c) **Disputed Bills**

In case of a billing dispute, Alcoa shall note the disputed amount and pay its bill in full by the Due Date. Unpaid bills (including both disputed and undisputed amounts) are subject to late payment charges provided above. If Alcoa is entitled to a refund of any portion of the disputed amount, then BPA

shall make such refund with simple interest computed from the date of receipt of the disputed payment to the date the refund is made. The daily interest rate used to determine the interest is calculated by dividing the Prime Rate for Large Banks as reported in the Wall Street Journal; by 365. The applicable Prime Rate for Large Banks shall be the rate reported on the first day of the month in which payment is received by BPA.

11. NOTICES

Any notice required under this Agreement shall be in writing and shall be delivered: (a) in person; (b) by a nationally recognized delivery service; or (c) by United States Certified Mail. Notices are effective when received. Either Party may change its address for notices by giving notice of such change consistent with this section

If to Alcoa:

Alcoa Inc. 6200 Malago-ALCOA Highway
Malaga, WA 98828-9728
Attn: Jack A. Speer
Northwest Energy Director
Phone: 509-663-9331
FAX: 509-663-9399
E-Mail: Jack.speer@alcoa.com

If to PBL:

Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621
905 N.E. 11th Ave.
Portland, OR 97232
Attn: Mark E. Miller – PT-5
Account Executive
Phone: 503-230-4003
FAX: 503-230-3681
E-Mail: memiller@bpa.gov

12. COST RECOVERY

- (a) Nothing included in or omitted from this Agreement creates or extinguishes any right or obligation, if any, of BPA to assess against Alcoa and Alcoa to pay to BPA at any time a cost underrecovery charge pursuant to an applicable transmission rate schedule or otherwise applicable law.
- (b) BPA may adjust the rates for Contracted Power set forth in the applicable power rate schedule during the term of this Agreement only pursuant to the Cost Recovery Adjustment Clause (CRAC) in the 2002 GRSPs.
- (c) Any CRAC will be assessed against the full purchase obligation specified in section 4 of this Agreement, notwithstanding any curtailment by Alcoa pursuant to section 5 and 6 of this Agreement.
- (d) For as long as Alcoa purchases cost-based power from BPA, this Agreement supercedes existing power sales contracts and Alcoa will be subject to the same cost underrecovery exposure as BPA's utility customers purchasing Subscription power.

13. UNCONTROLLABLE FORCES

PBL shall not be in breach of its obligation to provide Contracted Power and Alcoa shall not be in breach of its obligation to purchase Contracted Power to the extent the failure to fulfill that obligation is due to an Uncontrollable Force.

“Uncontrollable Force” means an event beyond the reasonable control of, and without the fault or negligence of, the Party claiming the Uncontrollable Force that impairs that Party’s ability to perform its contractual obligations under this Agreement and which, by exercise of that Party’s reasonable diligence and foresight, such Party could not be expected to avoid and was unable to avoid. Uncontrollable Forces include, but are not limited to:

- (a) any unplanned curtailment or interruption for any reason of firm transmission used to deliver Contracted Power to Alcoa’s facilities, including but not limited to unplanned maintenance outages;
- (b) any unplanned curtailment or interruption, failure or imminent failure of Alcoa’s production or transmission facilities, including but not limited to unplanned maintenance outages;
- (c) any planned transmission or distribution outage that affects either Alcoa or PBL which was provided by a third-party transmission or distribution owner, or by a transmission provider, including TBL, that is functionally separated from the generation provider in conformance with Federal Energy Regulatory Commission (FERC) Orders 888 and 889 or its successors;
- (d) strikes or work stoppage, including the threat of imminent strikes or work stoppage;
- (e) floods, earthquakes, or other natural disasters; and
- (f) orders or injunctions issued by any court having competent subject matter jurisdiction, or any order of an administrative officer which the Party claiming the Uncontrollable Force, after diligent efforts, was unable to have stayed, suspended, or set aside pending review by a court of competent subject matter jurisdiction.

Neither the unavailability of funds or financing, nor conditions of national or local economies or markets shall be considered an Uncontrollable Force. The economic hardship of either Party shall not constitute an Uncontrollable Force. Nothing contained in this provision shall be construed to require either Party to settle any strike or labor dispute in which it may be involved.

The Party claiming the Uncontrollable Force shall notify the other Party as soon as practicable of that Party’s inability to meet its obligations under this Agreement due to an Uncontrollable Force. The Party claiming the Uncontrollable Force also agrees to notify any control area involved in the scheduling of a transaction which may be curtailed due to an Uncontrollable Force.

Both Parties shall be excused from their respective obligations, other than from payment obligations incurred prior to the Uncontrollable Force, without liability to the other, for the duration of the Uncontrollable Force and the period reasonably required for the Party claiming the Uncontrollable Force, using due diligence, to restore its operations to conditions existing prior to the occurrence of the Uncontrollable Force.

14. GOVERNING LAW AND DISPUTE RESOLUTION

- (a) This Agreement shall be interpreted consistent with and governed by Federal law. Final actions subject to section 9(e) of the Northwest Power Act are not subject to binding arbitration and shall remain within the exclusive jurisdiction of the United States Ninth Circuit Court of Appeals. Any dispute regarding any rights of the Parties under any BPA policy, including the implementation of such policy, shall not be subject to arbitration under this Agreement. Alcoa reserves the right to seek judicial resolution of any dispute arising under this Agreement that is not subject to arbitration under this section 14. For purposes of this section 14 BPA policy means any written document adopted by BPA as a final action in a decision record or record of decision that establishes a policy of general application, or makes a determination under an applicable statute. If either Party asserts that a dispute is excluded from arbitration under this section 14, either Party may apply to the Federal court having jurisdiction for an order determining whether such dispute is subject to arbitration under this section 14.
- (b) Any contract dispute or contract issue between the Parties arising out of this Agreement, except for disputes that are excluded through section 14(a) above, shall be subject to binding arbitration. The Parties shall make a good faith effort to resolve such disputes before initiating arbitration proceedings. During arbitration, the Parties shall continue performance under this Agreement pending resolution of the dispute, unless to do so would be impossible or impracticable.
- (c) Any arbitration shall take place in Portland, Oregon, unless the Parties agree otherwise. The CPR Institute for Dispute Resolution's arbitration procedures for commercial arbitration, Non-Administered Arbitration Rules (CPR Rules), shall be used for each dispute; **provided, however,** that:
 - (1) the Parties shall have the discovery rights provided in the Federal Rules of Civil Procedure unless the Parties agree otherwise; and
 - (2) for claims of \$1 million or more, each arbitration shall be conducted by a panel of three neutral arbitrators. The Parties shall select the arbitrators from a list containing the names of 15 qualified individuals supplied by the CPR Institute for Dispute Resolution. If the Parties cannot agree upon three arbitrators on the list within 20 business days, the Parties shall take turns striking names from the list of proposed arbitrators. The Party initiating the arbitration shall take the first strike. This process shall be repeated until three arbitrators remain on the list, and those individuals shall be designated as the arbitrators. For disputes involving less than \$1 million, a

single neutral arbitrator shall be selected consistent with section 6 of the CPR Rules.

- (d) Except for arbitration awards which declare the rights and duties of the Parties under this Agreement, the payment of monies shall be the exclusive remedy available in any arbitration proceeding. Under no circumstances shall specific performance be an available remedy against BPA. The arbitration award shall be final and binding on both Parties, except that either Party may seek judicial review based upon any of the grounds referred to in the Federal Arbitration Act, 9 U.S.C. §1-16 (1988). Judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof.
- (e) Each Party shall be responsible for its own costs of arbitration, including legal fees. The arbitrators may apportion all other costs of arbitration between the Parties in such manner as they deem reasonable taking into account the circumstances of the case, the conduct of the Parties during the proceeding, and the result of the arbitration.

15. STATUTORY PROVISIONS

- (a) **Priority of Pacific Northwest Customers**
The provisions of sections 9(c) and (d) of the Northwest Power Act and the provisions of P.L. 88-552 as amended by the Northwest Power Act are incorporated into this Agreement by reference. BPA agrees that Alcoa, together with other customers in the Region shall have priority to BPA power, consistent with such provisions.
- (b) **Prohibition on Resale**
Alcoa shall not resell Industrial Firm Power except as otherwise permitted by Federal law.
- (c) **BPA Appropriations Refinancing Act**
The text of the BPA Refinancing Section of the Omnibus Consolidated Recissions and Appropriations Act of 1996 (The BPA Refinancing Act), P.L. No. 104-134, 110 Stat. 1321, 1350, is incorporated in this Agreement as shown in Exhibit D, Additional Products, Services, and Special Provisions.

16. STANDARD PROVISIONS

- (a) **Amendments**
No oral or written amendment, rescission, waiver, modification, or other change of this Agreement shall be of any force or effect unless set forth in a written instrument signed by authorized representatives of each Party.
- (b) **Assignment**
This Agreement is binding on any successors and assigns of the Parties. BPA may assign this Agreement to another Federal agency to which BPA's

statutory duties have been transferred. The consent of BPA is hereby given to an assignment of this Agreement to a successor in interest of Alcoa, or any Alcoa facility served directly by the PBL, for use at any existing direct service industrial facility served directly by the PBL on the date of the assignment. Neither Party may otherwise transfer or assign this Agreement without the other Party's written consent. Such consent shall not be unreasonably withheld.

(c) **Information Exchange and Confidentiality**

The Parties shall provide each other with any information that is reasonably required, and requested by either Party in writing, to operate under and administer this Agreement, including load forecasts for planning purposes, information needed to resolve billing disputes, scheduling, and metering information reasonably necessary to prepare power bills that is not otherwise available to the requesting Party. Such information shall be provided in a timely manner. Information may be exchanged by any means agreed to by the Parties. If such information is subject to a privilege of confidentiality, a confidentiality agreement or statutory restriction under state or Federal law on its disclosure by a Party to this Agreement, then that Party shall endeavor to obtain whatever consents, releases, or agreements are necessary from the person holding the privilege to provide such information while asserting the confidentiality over the information. Information provided to BPA which is subject to a privilege of confidentiality or nondisclosure shall be clearly marked as such and BPA shall not disclose such information without obtaining the consent of the person or Party asserting the privilege, consistent with BPA's obligation under the Freedom of Information Act. BPA may use such information as necessary to provide service or timely bill for service under this Agreement. BPA shall only disclose information received under this provision to BPA employees who need the information for purposes of this Agreement.

(d) **Entire Agreement**

This Agreement, including all provisions, exhibits incorporated as part of this Agreement, and documents incorporated by reference, constitutes the entire agreement between the Parties. It supersedes all previous communications, representations, or contracts, either written or oral, which purport to describe or embody the subject matter of this Agreement.

(e) **Exhibits**

The exhibits listed in the table of contents are incorporated into this Agreement by reference. The exhibits may only be revised upon mutual agreement between the Parties unless otherwise specified in the exhibits. The body of this Agreement shall prevail over the exhibits to this Agreement in the event of a conflict.

(f) **No Third-Party Beneficiaries**

This Agreement is made and entered into for the sole protection and legal benefit of the Parties, and no other person shall be a direct or indirect legal

beneficiary of, or have any direct or indirect cause of action or claim in connection with this Agreement.

(g) **Waivers**

Any waiver at any time by either Party to this Agreement of its rights with respect to any default or any other matter arising in connection with this Agreement shall not be considered a waiver with respect to any subsequent default or matter.

(h) **BPA Policies**

Any reference in this Agreement to BPA policies, including without limitation BPA's New Large Single Load Policy and the 5(b)/9(c) Policy, and any revisions thereto, does not constitute agreement by Alcoa to such policy, nor shall it be construed to be a waiver of the right of Alcoa to seek judicial review of any such policy.

(i) **Severability**

If any term of this Agreement is found to be invalid by a court of competent jurisdiction then such term shall remain in force to the maximum extent permitted by law. All other terms shall remain in force unless that term is determined not to be severable from all other provisions of this Agreement by such court.

(j) **Compromise Approach Covenant**

Alcoa agrees that BPA substantially sustained the Compromise Approach in the Rate Case Final Record of Decision (ROD) issued by BPA on May 15, 2000. As a consequence, and consistent with the letter agreement by and between BPA and Alcoa dated June 23, 2000, which is incorporated by reference herein, Alcoa agrees:

- (1) Alcoa will not legally challenge in any forum, including before the Federal Energy Regulatory Commission (FERC), decisions contained in BPA's 2002 Rate Case ROD, including but not limited to BPA's final rate case decisions regarding the sale of power to serve the residential and small farm loads of the investor-owned utilities, or the rates for such sales, for the FY 2002-2006 period; provided, however, that Alcoa may intervene in any legal challenge to BPA's final rate case decisions regarding power sales or rates for service for Alcoa for the sole purpose of opposing such challenge to power sales or rates for Alcoa.
- (2) Alcoa agrees that its failure to comply with this provision will constitute a breach of this Agreement, and that BPA may terminate this Agreement in such case.

17. TERMINATION

Alcoa may terminate this Agreement through a written notice up to 30 days after FERC grants interim approval for BPA's wholesale power rates that are effective

October 1, 2001. In addition, Alcoa shall have the right to terminate this Agreement if all of the following conditions have been satisfied:

- (a) Any rates adopted in WP-02 Final Rate Proposal, Administrator's Final Record of Decision are remanded to BPA for reconsideration by FERC or the Ninth Circuit Court of Appeals.
- (b) As a result of the remand, the Administrator publishes a subsequent Final Record of Decision which, if confirmed, would result in Alcoa being subject to a higher average effective power rate for the period beginning the first day of the billing period immediately following the effective date of new rates contained in the subsequent Final Record of Decision and ending on September 30, 2006.
- (c) Alcoa has provided written notice to BPA of its intent to terminate this Agreement within 30 days of publication of the subsequent Final Record of Decision.

Termination shall be effective at the start of the second billing period following the termination notice.

18. GOOD CORPORATE CITIZENSHIP CLAUSE

- (a) BPA is directed by statute to market Federal power in the Northwest first to public bodies and cooperatives, then to investor-owned utilities, and then, at the Administrator's discretion, to direct-service industries. Under this Agreement, Alcoa shall comply with the requirements of applicable Federal, State, and local laws and regulations (including DOE regulations). Alcoa freely agrees that the Administrator enters into this Agreement with a direct-service industrial Customer only with the express qualification that during the term of this Agreement, Alcoa shall remain in compliance as determined by the Administrator, in his or her sole discretion, with all applicable federal, state, and local laws, and all regulations and orders implementing such laws, whether civil or criminal, as a condition of Alcoa's right to receive power under this Agreement. Alcoa acknowledges BPA's obligations and policies pursuant to such applicable laws, and that Alcoa will act in good faith as it relates to such laws and policies.
- (b) In the event that the Administrator determines, in his or her sole discretion:
 - (1) that Alcoa is using power provided by the BPA for the furtherance of an enterprise that is not in compliance with all applicable federal, state, and local laws, and all regulations and orders implementing such laws, whether civil or criminal; and
 - (2) that such non-compliance, when considered in light of the mission, goals, policies, and interests of the BPA: (i) is egregious or persistent; and (ii) warrants the temporary or permanent curtailment by BPA of

the sale of some or all of the power available under this Agreement or any subsequent agreement with Alcoa;

then Alcoa agrees that the Administrator, in his or her sole discretion, may curtail the sale of some or all of the power available under this Agreement or any future power agreement between Alcoa and BPA.

- (c) The curtailment of power in paragraph (b) above will continue until the Administrator determines, in his or her sole discretion, that Alcoa is in compliance with all applicable federal, state, and local laws, and all regulations and orders implementing such laws, whether civil or criminal.
- d) The determinations of the Administrator referred to in paragraphs (b) and (c) above shall only be made with the consent of the Secretary of Energy, and after providing notice to Alcoa. In making such determinations, the Administrator shall consider any relevant information that may be obtained from Alcoa, federal or state agencies or courts, or any other entity. The Administrator shall promptly notify Alcoa before any such determination becomes final.

19. SIGNATURES

The signatories represent that they are authorized to enter into this Agreement on behalf of the Party for whom they sign.

ALCOA INC.

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By /S/ ALAN C. RENKEN Name
Alan C. Renken (Print / Type) Title
President, Alcoa Primary
Metals Date October 26, 2000
(PBLAN-PSB-W:\PSC\PM\CT\DSI INDUSTRIAL.DOC)

By /S/ MARK E. MILLER
Date 10/31/00

Exhibit A
RATE COMMITMENTS

1. REVISIONS TO INDUSTRIAL FIRM POWER RATES

BPA agrees that the IP-02 rates available to Alcoa consistent with this exhibit shall not be subject to revision during the term of this Agreement, except for the application of a Cost Recovery Adjustment Clause as provided in the IP-02 rates schedules and GRSPs and this Agreement.

2. SPECIAL IP LOAD TREATMENT

Environmentally Preferred Power

Alcoa may request Environmentally Preferred Power. If available, the Parties shall amend this Agreement to include necessary provisions as mutually agreed.

3. REVISIONS

If this exhibit is inconsistent with BPA's 2002 Industrial Firm Power Rate Schedule as finally approved by FERC, the Parties shall make a good faith effort to amend this exhibit so that it is consistent.

(PBLLAN-PSB-W:\PSC\PM\CT\DSI INDUSTRIAL.DOC)

Exhibit B BILLING

1. INDUSTRIAL FIRM POWER ENTITLEMENTS

- (a) The MW amount shown in section 4 of the body of this Agreement multiplied by: (1) the number of HLH; and (2) the number of LLH in the applicable month establishes Alcoa's HLH and LLH Energy Entitlements.
- (b) The MW amount shown in section 4 of the body of this Agreement establishes Alcoa's Demand Entitlement.

2. UNAUTHORIZED INCREASE CHARGE

Amounts Taken from PBL in excess of Contracted Power shall be subject to the Unauthorized Increase Charge for demand and energy consistent with the applicable BPA Wholesale Power Rate Schedules and GRSPs, unless such power is provided under another contract with PBL. Power that has been provided for energy imbalance service pursuant to an agreement between TBL and Alcoa will not be subject to an Unauthorized Increase Charge for Demand and Energy under this Agreement.

3. CONSERVATION AND RENEWABLES DISCOUNT

Subject to the terms specified in BPA's applicable Wholesale Power Rate Schedules, including GRSPs, BPA shall apply the Conservation and Renewables Discount to Alcoa's Contracted Power as established in section 4 of the body of this Agreement unless Alcoa has notified PBL before August 2001 that it will not participate in the Conservation and Renewables Discount. For purposes of establishing power amounts eligible for this discount, Alcoa shall provide PBL either: (a) a reasonable forecast of such firm power amounts through Contract Year 2006; or (b) notice Alcoa chooses not to have the Conservation and Renewables Discount applied to its Contracted Power by no later than August 1, 2001.

If during any Contract Year, Alcoa has significant load loss or gain, the Parties may, by no later than August 31 prior to the succeeding Contract Year, revise the forecast used to calculate the Conservation and Renewables Discount. If the revised forecast is less than 95 percent of, or greater than 105 percent of, the forecast used to calculate the existing Conservation and Renewables Discount, the revised forecast shall be used to recalculate the Conservation and Renewables Discount for the succeeding Contract Years.

To retain the full amount of the Conservation and Renewables Discount Alcoa shall satisfy all obligations associated with the Conservation and Renewables Discount as specified in BPA's applicable Wholesale Power Rate Schedules, including GRSPs and the Conservation and Renewables Discount implementation manual. Alcoa shall reimburse BPA for any amount it received but for which it did not satisfy such obligations.

4. REVISIONS

If this exhibit is inconsistent with BPA's 2002 Industrial Firm Power Rate Schedule as finally approved by FERC, the Parties shall make a good faith effort to amend this exhibit so that it is consistent.

(PBL\LAN-PSB-W:\PSC\PM\CT\DSI INDUSTRIAL.DOC)

**Exhibit C
POWER RATE**

A. DEMAND RATE

1. Flat Rate Demand for FY 2002 through 2006

1.1 Applicability

These rates apply to eligible customers purchasing power.

1.2 Rate Table

REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION

<i>Applicable Months</i>	<i>Rate</i>

B. ENERGY RATE FOR IPTAC (A) PRODUCT

1. Monthly Energy Rates for FY 2002 through FY 2006

1.1 Applicability

These rates apply to eligible customers purchasing power.

1.2 Rate Table

REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION

<i>Applicable Months</i>	<i>HLH Rate</i>	<i>LLH Rate</i>

Exhibit CPOWER RATE

(Drafter's Note: If customer selects the Indexed Rate, then include this Exhibit C in the contract.)

1. INDEXED RATE DETERMINATION PROVISIONS

- (a) **Aluminum Midpoint Value (AMV)**
Average APF as determined pursuant to section 3(b) of the body of this Agreement is \$0.____ per pound of aluminum. This Average APF amount shall be equal to the AMV.
- (b) **Power Price at AMV**
REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION.
- (c) **Average Aluminum Price (AAP)**
For each billing month, the AAP shall be equal to the arithmetic mean of the previous month's London Metal Exchange Aluminum H.G. three-month (LME-3-month) futures contract, in cents per pound.
- (d) **Lower Pivot Point and Rate for Change**
 - (1) **Lower Pivot Point**
**REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL I
INFORMATION.**
 - (2) **Rate of Change**
**REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL
INFORMATION**
- (e) **Upper Pivot Point and Rate of Change**
 - (1) **Upper Pivot Point**
**REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL
INFORMATION.**
 - (2) **Rate of Change**
**REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL
INFORMATION**

(PBLLAN-PSB-W:\PSC\PM\CT\DSI INDUSTRIAL.DOC)

Exhibit D
ADDITIONAL PRODUCTS, SERVICES, AND SPECIAL PROVISIONS

1. ADDITIONAL PRODUCTS, SERVICES, AND SPECIAL PROVISIONS

In accordance with section 15(c) of the body of this Agreement the following is included in this Agreement.

**BONNEVILLE POWER ADMINISTRATION REFINANCING
SECTION
OF THE OMNIBUS CONSOLIDATED RECISSIONS AND
APPROPRIATIONSACT OF 1996**

16 United States Code Chapter 12G
Act of April 26, 1996, 110 Stat. 1321, 1350
Public Law No. 104-134, H.R. 3019 (S. 1594)

838l. Bonneville Power Administration refinancing

838l(a). Definitions

For the purposes of this section--

838l(a)(1). "Administrator" means the Administrator of the Bonneville Power Administration;

838l(a)(2). "capital investment" means a capitalized cost funded by Federal appropriations that--

838l(a)(2)(A). is for a project, facility, or separable unit or feature of a project or facility;

838l(a)(2)(B). is a cost for which the Administrator is required by law to establish rates to repay to the United States Treasury through the sale of electric power, transmission, or other services;

838l(a)(2)(C). excludes a Federal irrigation investment; and

838l(a)(2)(D). excludes an investment financed by the current revenues of the Administrator or by bonds issued and sold, or authorized to be issued and sold, by the Administrator under section 838k of this title;

838l(a)(3). "new capital investment" means a capital investment for a project, facility, or separable unit or feature of a project or facility, placed in service after September 30, 1996;

838l(a)(4). "old capital investment" means a capital investment the capitalized cost of which--

8381(a)(4)(A). was incurred, but not repaid, before October 1, 1996, and

8381(a)(4)(B). was for a project, facility, or separable unit or feature of a project or facility, placed in service before October 1, 1996;

8381(a)(5). "repayment date" means the end of the period within which the Administrator's rates are to assure the repayment of the principal amount of a capital investment; and

8381(a)(6). "Treasury rate" means--

8381(a)(6)(A). for an old capital investment, a rate determined by the Secretary of the Treasury, taking into consideration prevailing market yields, during the month preceding October 1, 1996, on outstanding interest-bearing obligations of the United States with periods to maturity comparable to the period between October 1, 1996, and the repayment date for the old capital investment; and

8381(a)(6)(B). for a new capital investment, a rate determined by the Secretary of the Treasury, taking into consideration prevailing market yields, during the month preceding the beginning of the fiscal year in which the related project, facility, or separable unit or feature is placed in service, on outstanding interest-bearing obligations of the United States with periods to maturity comparable to the period between the beginning of the fiscal year and the repayment date for the new capital investment.

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

8381(b). New principal amounts

8381(b)(1). Principle amount

Effective October 1, 1996, an old capital investment has a new principal amount that is the sum of--

8381(b)(1)(A). the present value of the old payment amounts for the old capital investment, calculated using a discount rate equal to the Treasury rate for the old capital investment; and

8381(b)(1)(B). an amount equal to \$ 100,000,000 multiplied by a fraction whose numerator is the principal amount of the old payment amounts for the old capital investment and whose denominator is the sum of the principal amounts of the old payment amounts for all old capital investments.

8381(b)(2). Determination

With the approval of the Secretary of the Treasury based solely on consistency with this section, the Administrator shall determine the new principal

amounts under subsection (b) and the assignment of interest rates to the new principal amounts under subsection (c).

838l(b)(3). Old payment amounts

For the purposes of this subsection, "old payment amounts" means, for an old capital investment, the annual interest and principal that the Administrator would have paid to the United States Treasury from October 1, 1996, if this section had not been enacted, assuming that--

838l(b)(3)(A). the principal were repaid--

838l(b)(3)(A)(i). on the repayment date the Administrator assigned before October 1, 1994, to the old capital investment, or

838l(b)(3)(A)(ii). with respect to an old capital investment for which the Administrator has not assigned a repayment date before October 1, 1994, on a repayment date the Administrator shall assign to the old capital investment in accordance with paragraph 10(d)(1) of the version of Department of Energy Order RA 6120.2 in effect on October 1, 1994; and

838l(b)(3)(B). interest were paid--

838l(b)(3)(B)(i). at the interest rate the Administrator assigned before October 1, 1994, to the old capital investment, or

838l(b)(3)(B)(ii). with respect to an old capital investment for which the Administrator has not assigned an interest rate before October 1, 1994, at a rate determined by the Secretary of the Treasury, taking into consideration prevailing market yields, during the month preceding the beginning of the fiscal year in which the related project, facility, or separable unit or feature is placed in service, on outstanding interest-bearing obligations of the United States with periods to maturity comparable to the period between the beginning of the fiscal year and the repayment date for the old capital investment.

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(c). Interest rate for new principle amounts

As of October 1, 1996, the unpaid balance on the new principal amount established for an old capital investment under subsection (b) bears interest annually at the Treasury rate for the old capital investment until the earlier of the date that the new principal amount is repaid or the repayment date for the new principal amount.

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(d). Repayment dates

As of October 1, 1996, the repayment date for the new principal amount established for an old capital investment under subsection (b) is no earlier than the repayment date for the old capital investment assumed in subsection (b)(3)(A).

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(e). Prepayment limitations

During the period October 1, 1996, through September 30, 2001, the total new principal amounts of old capital investments, as established under subsection (b), that the Administrator may pay before their respective repayment dates shall not exceed \$100,000,000.

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(f). Interest rates for new capital investments during construction

838l(f)(1). New capital investment

The principal amount of a new capital investment includes interest in each fiscal year of construction of the related project, facility, or separable unit or feature at a rate equal to the one year rate for the fiscal year on the sum of--

838l(f)(1)(A). construction expenditures that were made from the date construction commenced through the end of the fiscal year, and

838l(f)(1)(B). accrued interest during construction.

838l(f)(2). Payment

The Administrator is not required to pay, during construction of the project, facility, or separable unit or feature, the interest calculated, accrued, and capitalized under subsection (f)(1).

838l(f)(3). One-year rate

For the purposes of this section, "one year rate" for a fiscal year means a rate determined by the Secretary of the Treasury, taking into consideration prevailing market yields, during the month preceding the beginning of the fiscal year, on outstanding interest-bearing obligations of the United States with periods to maturity of approximately one year.

838l(g). Interest rates for new capital investments

The unpaid balance on the principal amount of a new capital investment bears interest at the Treasury rate for the new capital investment from the date the related project, facility, or separable unit or feature is placed in service until the earlier of the date the new capital investment is repaid or the repayment date for the new capital investment.

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(h). Omitted

838l(i). Contract provisions

In each contract of the Administrator that provides for the Administrator to sell electric power, transmission, or related services, and that is in effect after

September 30, 1996, the Administrator shall offer to include, or as the case may be, shall offer to amend to include, provisions specifying that after September 30, 1996--

8381(i)(1). the Administrator shall establish rates and charges on the basis that--

8381(i)(1)(A). the principal amount of an old capital investment shall be no greater than the new principal amount established under subsection (b);

8381(i)(1)(B). the interest rate applicable to the unpaid balance of the new principal amount of an old capital investment shall be no greater than the interest rate established under subsection (c);

8381(i)(1)(C). any payment of principal of an old capital investment shall reduce the outstanding principal balance of the old capital investment in the amount of the payment at the time the payment is tendered; and

8381(i)(1)(D). any payment of interest on the unpaid balance of the new principal amount of an old capital investment shall be a credit against the appropriate interest account in the amount of the payment at the time the payment is tendered;

8381(i)(2). apart from charges necessary to repay the new principal amount of an old capital investment as established under subsection (b) and to pay the interest on the principal amount under subsection (c), no amount may be charged for return to the United States Treasury as repayment for or return on an old capital investment, whether by way of rate, rent, lease payment, assessment, user charge, or any other fee;

8381(i)(3). amounts provided under section 1304 of title 31, United States Code, shall be available to pay, and shall be the sole source for payment of, a judgment against or settlement by the Administrator or the United States on a claim for a breach of the contract provisions required by this Part; and

8381(i)(4). the contract provisions specified in this Part do not--

8381(i)(4)(A). preclude the Administrator from recovering, through rates or other means, any tax that is generally imposed on electric utilities in the United States, or

8381(i)(4)(B). affect the Administrator's authority under applicable law, including section 7(g) of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. §839e(g)), to--

8381(i)(4)(B)(i). allocate costs and benefits, including but not limited to fish and wildlife costs, to rates or resources, or

838l(i)(4)(B)(ii). design rates.

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

838l(j). Savings provisions

838l(j)(1). Repayment

This subchapter does not affect the obligation of the Administrator to repay the principal associated with each capital investment, and to pay interest on the principal, only from the "Administrator's net proceeds," as defined in section 838k(b) of this title.

838l(j)(2). Payment of capital investment

Except as provided in subsection (e), this section does not affect the authority of the Administrator to pay all or a portion of the principal amount associated with a capital investment before the repayment date for the principal amount.

[P.L. 104-134, Title III, §3201, 110 Stat. 1321-350.]

2. REVISIONS

This exhibit shall be revised by mutual agreement of the Parties to reflect additional products Alcoa purchases during the term of this Agreement.

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Exhibit E SCHEDULING

1. PURPOSE OF THIS EXHIBIT

The purpose of this exhibit is to identify power scheduling requirements and coordination procedures necessary for the delivery of electric power and energy sold under this Agreement. All provisions apply to Purchasing-Selling Entities (PSEs), including their authorized scheduling agent. Transmission scheduling arrangements are handled under separate agreements/provisions with the designated transmission provider. Nothing in this exhibit is intended to relieve the Parties of any obligation they may have under North American Electric Reliability Council (NERC) or Western Systems Coordinating Council (WSCC) policy, procedure, or guideline.

2. COORDINATION: GENERAL, PRESCHEDULE, REAL-TIME, AND AFTER-THE-FACT REQUIREMENTS

(a) General Requirements

- (1) The Parties may revise and replace this exhibit by mutual agreement. BPA shall also have the right to revise and replace this exhibit under the following circumstances after providing an opportunity for all affected Parties to discuss and comment on any proposed changes:
(1) to comply with rules or orders issued by FERC, NERC, or WSCC;
or (2) to implement changes reasonably consistent with standard industry practice, but necessary for BPA to administer its power scheduling function.
- (2) PSEs shall have staff available 24 hours a day for each day an active transaction or preschedule is in effect. PSE's must be prepared to verify transactions on an hourly basis if necessary.
- (3) PSEs shall complete the prescheduling and check out processes, and to verify Transactions and associated totals, per NERC tag, and BPA contract.
- (4) Inability to verify Transactions may result in schedule rejection or curtailment.
- (5) PSEs shall verify Transactions and totals after-the-fact (ATF) per both parties' ATF processes.
- (6) BPA is not obligated to accept Transactions that do not comply with the scheduling requirements in this exhibit or the contract.
- (7) Should a PSE attempt to preschedule a Transaction for power for which that PSE has an obligation to provide transmission and fails to

properly reserve the transmission necessary to complete the Transaction, the PSE will not be excused from its payment obligation, if any, under this Agreement.

- (8) All Transactions shall be stated in the time zone specified by WSCC and shall be in "hour-ending" format.
- (9) All Schedules, except Dynamic Schedules, will be implemented on an hourly basis using the standard ramp as specified by WSCC procedures.
- (10) Any power that is allowed to be resold at wholesale under this Agreement may only be resold if all characteristics of the product (e.g., Point of Receipt, shape, hours) are maintained in the resale.
- (11) Changes to telephone or fax numbers of key personnel (for Prescheduling, Real-Time, Control Area, or Scheduling Agents, etc.) must be submitted to BPA.

(b) Prescheduling Requirements

(1) Information Required for Any Preschedule

- (A) Unless otherwise mutually agreed, all Transactions will be submitted according to NERC instructions for E-tagging, as modified by WSCC.
- (B) When completing the NERC E-Tag insert the applicable BPA Contract number(s) in the "reference" column of the miscellaneous section of the tag.
- (C) Transactions going to or from California-Oregon Border (COB) must be identified as using Malin or Captain Jack, or COB Hub.

(2) Preschedule Coordination

- (A) Final hourly preschedules (verbal submission of E-tag information) must be submitted for the next day(s) by 1000 of each workday, unless otherwise agreed.
- (B) Typically, preschedules are for one to three days by mutual agreement of the parties, final preschedules may be requested for longer time periods to accommodate special scheduling requirements.

- (C) Under certain operating conditions, either party may require submission of estimated daily preschedules for an ensuing period up to 10 days in length, prior to the final preschedule.

(c) **Real-Time Requirements**

- (1) PSEs may not make Real-Time changes to the scheduled amounts, including transmission arrangements unless such changes are allowed under individual contract provisions or by mutual agreement.
- (2) If Real-Time changes to the Schedule become necessary, and are allowable as described in section 2(c)(1) above, PSEs must submit such request no later than 30 minutes prior to the hour for which the Schedule change becomes effective.
- (3) Multihour changes to the Schedule shall specify each hour to be changed and shall not be stated as "until further notice."
- (4) Emergency scheduling and notification procedures (including mid-hour changes) will be handled in accordance with NERC and WSCC procedures.

(d) **After-the-Fact Reconciliation Requirements**

PSEs agree to reconcile all Transactions, Schedules and accounts at the end of each month (as early as possible within the first 10 calendar days of the next month). The parties will verify all Transactions per BPA contract, as to product or type of service, hourly amounts, daily and monthly totals, and related charges.

3. DEFINITIONS AND ACRONYMS

Capitalized terms in this Exhibit shall have the meanings defined below, in context, or as used elsewhere in this Agreement.

- (a) **Control Area:** An electrical system bounded by interconnection (tie-line) metering and telemetry. It controls generation directly to maintain its interchange schedule with other control areas and contributes to frequency regulation of the interconnection.
- (b) **Hour Ending:** Designation for one hour periods of time based upon the time which the period ends. For example: the one hour period between 1300 and 1400 is referred to as Hour Ending 1400.
- (c) **Prescheduling:** The process (electronic, oral, and written) of establishing and verifying with all scheduling parties, advance hourly Transactions through the following Workday(s). Preschedules apply to the following day or days (if the following day or days are not Workday(s)).

- (d) **Purchasing-Selling Entity (PSE):** (NERC defined term). An entity that is eligible to purchase or sell energy or capacity and reserve transmission services.
- (e) **Real-Time:** The hourly or minute-to-minute operation and scheduling of a power system as opposed to those operations which are prescheduled a day or more in advance.
- (f) **Schedule:** The planned Transaction approved and accepted by all PSEs and Control Areas involved in the Transaction.
- (g) **Transaction:** An agreement arranged by a PSE to transfer energy from a seller to a buyer.
- (h) **Workday:** Any day BPA, other regional utilities, and PSEs observe as a working day.

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Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

March 7, 2001

In reply refer to: PTS-5

Amendment No. 1
Contract No. 00PB-12196
BLOCK POWER SALES AGREEMENT

Mr. Alan Renken
President, Alcoa Primary Metals
Alcoa, Inc.
201 Isabella Street
Pittsburgh, PA 15212-5858

Dear Mr. Renken:

This letter agreement (Amendment No. 1) constitutes an amendment to Contract No. 00PB-12196 (Block Power Sales Agreement) between the Bonneville Power Administration (BPA) and Alcoa, Inc. (Alcoa). As a result of an assignment of 280 megawatts (MW) of Firm Power by Alcoa to Longview Aluminum LLC, the Parties have agreed to amend the Block Power Sales Agreement as follows:

1. EFFECTIVE DATE. This Amendment No. 1 shall become effective on the date signed by the Parties.

2. AMENDMENT OF BLOCK POWER SALES AGREEMENT. Section 4 of the Block Power Sales Agreement is deleted and replaced by the following:

"4. INDUSTRIAL FIRM POWER PRODUCT
During the period that begins on October 1, 2001, and continues through September 30, 2006, Alcoa shall purchase 438 MW each hour."

If this Amendment No. 1 is acceptable to Alcoa Inc., please so indicate by signing both originals and return one original to me. The remaining original is for your files.

Sincerely,

Account Executive
Mark E. Miller

ACCEPTED:

ALCOA, INC.

By _____

Name Mr. Alan Renken
(Print/Type)

Title President, Alcoa Primary Metals

Date _____

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Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

DRAFT February 21, 2001

In reply refer to: PTS-5

Amendment No. 1
Contract No. 00PB-12196
BLOCK POWER SALES AGREEMENT

Mr.
Alcoa, Inc.

Dear Mr. _____:

This letter agreement (Amendment No. 1) constitutes an amendment to Contract No. 00PB-12196 (Block Power Sales Agreement) between the Bonneville Power Administration (BPA) and Alcoa, Inc. (Alcoa). As a result of an assignment of 280 megawatts (MW) of Firm Power to Longview Aluminum LLC, the Parties have agreed to amend the Block Power Sales Agreement as follows:

1. **EFFECTIVE DATE.** This Amendment No. 1 shall become effective on the date signed by the Parties.
2. **AMENDMENT OF BLOCK POWER SALES AGREEMENT.** Section 4 of the Block Power Sales Agreement is deleted and replaced by the following:
 - "4. **INDUSTRIAL FIRM POWER PRODUCT**
During the period that begins on October 1, 2001, and continues through December 31, 2001, Alcoa shall purchase 438 MW each hour."

If this Amendment No. 1 is acceptable to Alcoa Inc., please so indicate by signing both originals and return one original to me. The remaining original is for your files.

Sincerely,

Account Executive
Mark E. Miller

ACCEPTED:

ALCOA, INC.

By _____

Name _____
(Print/Type)

Title _____

Date _____

(PBLAN-PST-W:\PSC\PM\CT\12196aa1.DOC)

CURTAILMENT AGREEMENT
executed by the
BONNEVILLE POWER ADMINISTRATION
and
LONGVIEW ALUMINUM, LLC

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Exhibit A	Curtailments
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This CURTAILMENT AGREEMENT (Agreement) is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA) and LONGVIEW ALUMINUM, LLC (Company), a limited liability company organized under the laws of the State of Delaware.

RECITALS

The Company represents to BPA that it has entered into an Asset Purchase Agreement with Reynolds Metals Company ("Reynolds") dated December 22, 2000, as amended (the "Purchase Agreement") pursuant to which the Company intends to acquire and/or lease from Reynolds substantially all of the assets comprising the Longview primary aluminum plant located in Longview, Washington (the "Smelter") and related assets and contractual rights and obligations (the "Acquisition"). The Company further represents that, in connection with the Acquisition, the Company intends that: (i) Reynolds shall assign to the Company its rights to 420 megawatts (MW) of the Contract Demand under Contract No. 95MS-94865 (the "1996 Reynolds Power Sales Agreement"), which provides for the sale of power and provision of transmission services by BPA to Reynolds during the period from October 1, 1996, through September 30, 2001 for use at the Smelter; and (ii) Alcoa Inc. ("Alcoa") shall assign to the Company its rights to 280 MW of the Firm Power on every hour under Contract No. 00PB-12196 (the "2001 Alcoa Block Power Sales Agreement"), which provides for the sale of Firm Power by BPA to Alcoa during the period from October 1, 2001 through September 30, 2006 for use at the Smelter (such assignments are hereinafter collectively referred to as the "Assignments").

On or after the effective date of the Assignments, BPA and the Company will execute a Block Power Sales Agreement designated as Contract No. 01PB-10768 (the "1996 Agreement") in order to set forth the rights and obligations between BPA and the Company with respect to the 420 MW of Contract Demand (as such term is defined in the 1996 Reynolds Power Sales Agreement) which is assigned by Reynolds to the Company under the 1996 Reynolds Power Sales Agreement. Although the 1996 Agreement shall be substantially similar to the 1996 Reynolds Power Sales Agreement, it shall include such modifications to the 1996 Reynolds Power Sales Agreement as are mutually agreed upon by BPA and the Company.

On or after the effective date of the Assignments, BPA and the Company will execute a Block Power Sales Agreement designated as Contract No. 01PB-10769 ("2001 Agreement") in order to set forth the rights and obligations between BPA and the Company with respect to the 280 MW of Firm Power (as such term is defined in the 2001 Alcoa Block Power Sales Agreement) on every hour which is assigned by Alcoa to the Company under the 2001 Alcoa Block Power Sales Agreement. Although the 2001 Agreement shall be substantially similar to the 2001 Alcoa Block Power Sales Agreement, it shall include such modifications to the 2001 Alcoa Block Power Sales Agreement as are mutually agreed upon by BPA and the Company.

The amount of Firm Power to be made available to the Company under the 2001 Agreement will not be sufficient to meet all of the power needs of the Smelter. Also, the current price for aluminum and the costs of obtaining power to operate the Smelter in excess of the power available under the 2001 Agreement make full operation of the Smelter at the present time uneconomical and not in the best interests of the Company.

Accordingly, the Company desires to curtail operations of the Smelter during the period from the Effective Date (as defined in section 1 below) through June 30, 2002, and BPA is agreeable to such curtailment pursuant to the terms of this Agreement.

Curtailments during this period will enable BPA to avoid power supply costs. BPA will pay the Company for the curtailed power.

The Company's curtailment proceeds and other cost savings associated with the curtailment will improve the Company's ability to maintain long-term Smelter operations. Long-term operation of the Smelter depends on a skilled workforce, reduced costs, and a long-term power supply from new generating resources. A portion of the monetary benefits of this Agreement will be used to enable the Company to retain its workforce. A separate agreement between an affiliate of the Company and the United Steelworkers of America provides that Smelter employees will be compensated during the curtailment. Employee compensation will mitigate the impact of the curtailment on the local community. Proceeds from remarketing will also enable the Company to reduce Smelter costs. These actions also make it possible for the Company to develop new generating resources to replace its BPA power supply no later than September 30, 2006.

Pursuant to this Agreement, the Company also agrees not to take power service from BPA, either directly or indirectly, after September 30, 2006, which provides an additional material benefit to BPA and its customers.

THEREFORE, BPA and the Company agree as follows:

1. TERM

This Agreement takes effect on the date it is executed by the Parties and shall continue in effect until 2400 hours on June 30, 2002. The obligations of the Parties under this Agreement shall become effective on the date that all of the following conditions have been satisfied (Effective Date): (a) the document effectuating the Assignments has been executed and delivered by Reynolds, Alcoa, the Company and BPA; (b) the 2001 Agreement has been executed by the Parties; and (c) the 1996 Agreement has been executed by the Parties. All obligations incurred hereunder shall be preserved until satisfied.

2. TERMINATION OF AGREEMENT

If the Effective Date has not occurred by 2400 hours on February 28, 2001, then this Agreement shall terminate automatically at 2400 hours on February 28, 2001, without liability or penalty by either Party to the other Party.

3. DEFINITIONS

Capitalized terms used in this Agreement unless otherwise defined in the text of this Agreement shall have the meanings defined below. All references to time in this Agreement shall be Pacific Daylight Time or Pacific Standard Time, as applicable.

- (a) "Business Day" means a normal day of business for both Parties.
- (b) "Company Proceeds" shall mean the moneys paid by BPA to the Company or its assignee pursuant to this Agreement.
- (c) "Party" or "Parties" means BPA and/or the Company.

- (d) "Qualified Expenditures" means expenditures for the purposes identified in sections 10(a), 10(b), 10(c) and 10(d) of this Agreement.
- (e) "Transmission Agreement" means the transmission agreement that will be executed by the Company and BPA's Transmission Business Line that provides for the transmission of power to serve load at the Smelter.
- (f) "Unrecoverable Costs" mean the unrecoverable costs of BPA substation and transmission facilities used to serve Company load at the Smelter. If these facilities must be removed from the site, the unrecoverable costs shall include, in addition to the unamortized investment for such facilities, all reasonable cost involved in the disposition of such facilities, such as, but not limited to, labor in dismantling equipment, transportation, site restoration, and cleanup, less any mitigation, such as the salvage value of such equipment. The unamortized investment in such facilities shall be included in the Transmission Agreement.
- (g) "Use-of-Facilities Charges" means a monthly charge under the Transmission Agreement that reflects the investment, operations, and maintenance costs associated with substation facilities used to serve Company load at the Smelter.

4. CURTAILMENTS

The Company shall curtail its consumption of power under the 1996 Agreement and the 2001 Agreement during the periods of time and for the MW amounts set forth in Exhibit A. The Company's obligations under this section 4 do not affect the Company's entitlement to Station Service Power (as such term is defined in the 1996 Agreement and the 2001 Agreement) as contemplated by section 16, the 1996 Agreement, and the 2001 Agreement.

5. FAILURE TO ACHIEVE FULL CURTAILMENTS

If the Company fails to achieve the curtailments specified in Exhibit A, the Company shall shut down all smelting operations at the Smelter to the extent necessary in order to thereafter meet the Company's obligations to curtail as set forth in section 4. Notwithstanding the foregoing, if, beginning as of 2400 hours on February 28, 2001, the curtailments specified in Exhibit A have not been fully achieved for any hour(s) during the time periods specified in Exhibit A, then BPA shall deduct from the first monthly payment (and/or subsequent monthly payments, if necessary) amounts determined as follows:

During the period that begins at 2400 hours on February 28, 2001, and continues for the remaining term of this Agreement, BPA shall deduct an amount equal to the number of heavy load hour (HLH) megawatthours (MWh) and light load hour (LLH) MWh not curtailed multiplied by the daily averages HLHs (or peak) and average LLHs (or off peak) firm price indices respectively for sales of electricity at delivery points along the Mid-Columbia River during the days that have not been fully curtailed, as published by Dow Jones & Company, Inc. BPA's then-prevailing

Unauthorized Increase Charge shall be substituted for the price indices in the event that such indices are not available.

Amounts under this section 5 shall be calculated following the last day of each calendar month and any deduction shall be reflected in the payment due on the next payment date. In the event that any amount owed to BPA by the Company exceeds the amount of the next payment to the Company from BPA pursuant to section 7 (Excess Amount Owed), BPA shall bill the Company and the Company shall pay the Excess Amount Owed. The billing provisions of the 1996 Agreement or the 2001 Agreement, as applicable, shall apply for any Excess Amount Owed BPA under this section 5; **provided, however**, that the Company may, by providing written notice to BPA, defer any Excess Amount Owed to the next monthly payment date and set off such Excess Amount Owed against the payment due on such next monthly payment date, subject to the application of the late payment charge in the 1996 Agreement or the 2001 Agreement, as applicable.

6. CONSIDERATION FOR THE CURTAILMENTS

In consideration of the curtailments by the Company described in section 4 above, BPA shall pay the Company the aggregate sum set forth in Exhibit B, Table 1, unless this amount is reduced pursuant to section 5 above.

7. PAYMENTS TO THE COMPANY

BPA shall pay the Company monthly in accordance with the payment schedules specified in Exhibit B. If Exhibit B provides for payments to more than one account, the total of the monthly payments to all accounts shall not exceed the monthly amounts in Table 1 of Exhibit B. If the date any payment is due is not a Business Day, then payment will be made on the next Business Day. Payments shall be made by wire transfer to the account or accounts designated by the Company in Exhibit B. Except as set forth in section 5 with respect to the Company's failure to curtail, the payments required to be made by BPA to the Company pursuant to this Agreement shall not be subject to reduction or setoff for any reason.

8. USE-OF-FACILITIES CHARGES AND UNRECOVERABLE COSTS

(a) Use-of-Facilities Charges

The Company shall be relieved of its obligation to pay Use-of-Facilities Charges during the period that begins on the Effective Date and continues through 2400 hours on September 30, 2001. However, beginning October 1, 2001, the Company shall be obligated to pay the Use-of-Facilities Charge pursuant to the terms of the Transmission Agreement.

(b) Unrecoverable Costs

The Company shall be obligated to pay Unrecoverable Costs pursuant to the terms of the Transmission Agreement.

9. COMPANY OBLIGATIONS TO EMPLOYEES

During the period from the Effective Date through June 30, 2002, the Company shall provide compensation, benefits, and other expenditures related to employee layoffs, maintaining additional employees not required for operations at the reduced level

and/or job reassignments as a result of reduced Smelter operating levels. By separate agreement and subject to the terms of such separate agreement, an affiliate of the Company has agreed with the United Steelworkers of America to maintain minimum employment levels and/or make special supplemental payments to employees employed by the Smelter as of the Effective Date.

10. QUALIFIED EXPENDITURES

Qualified Expenditures under this Agreement shall be limited to expenditures incurred for the purposes identified in sections 9, 10(a), 10(b), 10(c), and 10(d) below, which are:

(a) Curtailment and Other Costs

Expenditures or costs related to the acquisition of and curtailing production at the Smelter, including:

- (1) Compensation, benefits, pension fund payments and other expenditures related to persons who were employees of the Smelter as of January 1, 2001.
- (2) The cost of cancellation penalties or other costs of reducing obligations for alumina or other materials, costs associated with covering product delivery obligations that cannot be met from the Smelter operating capacity during the curtailment and other costs directly associated with the shutdown.
- (3) Expenditures on operating and other costs directly related to Smelter operations that cannot be reduced as operating levels are reduced and on debt service, whether or not paid during a curtailment (including scheduled repayments of principal and interest and redemption or retirement of debt).
- (4) The aggregate purchase price and/or lease payments of the assets purchased and/or leased by the Company in accordance with the Purchase Agreement and the acquisition, financing and other fees, costs, and expenses incurred in connection with the Acquisition.

(b) Power, Upgrades, and Job Retention Costs

Expenditures or costs incurred to secure a future power supply and enhance operations of the Smelter and retain jobs, including:

- (1) Expenditures incurred for the planning, licensing, siting, acquisition, and/or construction of conventional or renewable resources to provide power for future Company operations and other customers in the Pacific Northwest.
- (2) Expenditures to purchase or otherwise obtain power from any seller that is in addition to the power made available by BPA for the

operation of the Company's Pacific Northwest facilities pursuant to the 1996 Agreement or the 2001 Agreement.

- (3) Expenditures to upgrade the Pacific Northwest facilities of the Company to achieve energy conservation, operating efficiencies, environmental benefits, or to preserve jobs at the Company's Pacific Northwest facilities.
- (4) Investments in plants which create or retain jobs in the Pacific Northwest or for Steelworkers.
- (5) Grants to the Bonneville Environmental Foundation.

(c) **Tax Costs**

Payment of tax liabilities (including any interest and penalties) created by the transactions contemplated by this Agreement, including:

- (1) An allowance for income taxes in an amount equal to any income tax liability of the Company that results from the payment of Company Proceeds by BPA to the Company or the expenditures of such Company Proceeds in accordance with this section that is not fully deductible for tax purposes in the year incurred.
- (2) Any other obligation to pay taxes as a result of this Agreement or entering into a transaction contemplated by this Agreement.

(d) **Loan Proceeds**

Payment of the principal, interest, fees and other costs associated with any loan made by any lender(s) to the Company the proceeds of which are used for any of the purposes set forth in sections 9, 10(a), 10(b), or 10(c).

(e) **Estimates of Expenditures**

Upon request by BPA, the Company shall provide BPA non-binding estimates of amounts to be spent under sections 9, 10(a), 10(b), 10(c), and 10(d) above and the timing of when such expenditures will occur.

(f) **Company Proceeds Account**

The Company agrees to establish with a financial institution(s) of its choosing a separate account or accounts into which the Company Proceeds which are not assigned as contemplated by section 11(d) and which are received from BPA after the Effective Date will be deposited (individually, a "Company Proceeds Account" and collectively the "Company Proceeds Accounts"). The Company shall provide BPA with written notice promptly after withdrawing funds from any Company Proceeds Account. Such notice shall specify the Qualified Expenditure for which the Company Proceeds will be spent and will contain detail sufficient for BPA to confirm that such funds are being spent for a Qualified Expenditure. BPA will have the right, at any time subject to reasonable notice, to audit any Company Proceeds Account, and the Company

agrees that it will provide BPA with any other documentation requested by BPA that BPA determines is necessary to audit any Company Proceeds Account or to otherwise confirm that the Company Proceeds are being, or were, spent for the purposes described in sections 9, 10(a), 10(b), 10(c), and 10(d) above. If, as a result of such audit, BPA determines that any disbursement from any Company Proceeds Account has not been expended as contemplated by this section, then subject to section 10(g) below, the Company shall, within 30 days of such finding, pay into any Company Proceeds Account an amount equal to such disallowed disbursement.

(g) **Notice of Decision**

Before finding that a disbursement from any Company Proceeds Account is disallowed, BPA shall: (i) submit written notice to the Company of BPA's belief that the Company has made a disbursement which is not for a Qualified Expenditure, including the information or analysis on which BPA relied; (ii) provide not less than thirty (30) days for the Company to respond to the information provided by BPA; and (iii) provide the Company with BPA's decision, and basis for such decision, after considering the Company's response.

11. BPA CONFIRMATIONS

- (a) By countersigning the instrument effectuating the Assignments, BPA shall have consented to the Assignments. BPA agrees and confirms that: (i) upon the effective date of the Acquisition and the Assignments, the Company shall be deemed to be the successor in interest to Reynolds with respect to the Smelter and the business of the Smelter, including the portion of the 1996 Reynolds Power Sales Agreement assigned by Reynolds to the Company pursuant to the Assignments and the Company shall be deemed to be the successor in interest to Alcoa with respect to the Smelter and the business of the Smelter, including the portion of the 2001 Alcoa Block Power Sales Agreement assigned by Alcoa to the Company pursuant to the Assignments; (ii) the amendment, restatement or novation of the 1996 Reynolds Power Sales Agreement or the 2001 Alcoa Block Power Sales Agreement or the portions thereof retained by Reynolds or Alcoa or assigned to the Company is not required in order for the Assignments to be effective; and (iii) the BPA does not consider the Assignments to violate the provisions of the Anti-Assignment Act (41 USC 15).
- (b) BPA hereby confirms and agrees that, as a result of the Acquisition and the Assignments, the Company becomes a direct service customer of BPA for all purposes of federal law and BPA policies and procedures. BPA acknowledges that it is aware that the Company is purchasing from Reynolds the buildings, construction-in-progress and other improvements located at the Longview primary aluminum plant site and that the Company is leasing from Reynolds the land upon which such buildings, construction-in-progress and other improvements are located.

- (c) BPA hereby agrees that under the Tucker Act, BPA is subject to the jurisdiction of the Court of Federal Claims and that the so-called “non-appropriated funds” exception to the jurisdiction of the Court of Federal Claims under the Tucker Act does not apply to BPA.
- (d) BPA hereby agrees that the Company has the right to make an assignment or assignments of the moneys due or to become due by BPA to the Company pursuant to this Agreement to any bank, trust company or other financing institution or its (their) agent for the purpose of securing any loans they may make to the Company the proceeds of which are used for Qualified Expenditures. Any such assignment is not required to cover all moneys due or to become due under this Agreement and is not required to be made to only one party. It is the intention of the Parties that, if the proceeds of any such loan are used by the Company for Qualified Expenditures, the loan shall be deemed to fulfill any requirement which may exist under the Anti-Assignment Act to the effect that the purpose of the loan shall be to assist the contractor (in this case, the Company) to fulfill its obligations under the contract which is the subject of the assignment (in this case, this Agreement). The assignee may act as trustee or agent for disbursing the proceeds due under this Agreement to: (i) the Company, (ii) two or more parties participating in the financing and/or (iii) third parties if payment to such third party would constitute a Qualified Expenditure. In the event of such an assignment and absent an agreement between BPA and the applicable assignee to the contrary, no liability of any nature of the Company to BPA or any department or agency of the United States, whether arising from or independent of this Agreement, shall create or impose any liability on the part of the assignee(s) to make restitution, refund or repayment of any amount received under the assignment. Moneys due or to become due by BPA to the Company pursuant to this Agreement, if assigned by the Company to any bank, trust company or other financing institution or its (their) agent, shall be made to the assignee(s) and shall not be subject to reduction or setoff for any liability of any nature to BPA or any other department or agency of the United States, whether such liability arises under this Agreement or independently of this Agreement, except as set forth in section 5 of this Agreement.
- (e) The 1996 Agreement supercedes the portion of the 1996 Reynolds Power Sales Agreement assigned to the Company pursuant to the Assignments and neither Party shall have any obligation or liability to the other Party under the 1996 Reynolds Power Sales Agreement or the portion thereof which is assigned to the Company. The 2001 Agreement supersedes the portion of the 2001 Alcoa Block Power Sales Agreement assigned to the Company pursuant to the Assignments and neither Party shall have any obligation or liability to the other Party under the 2001 Alcoa Block Power Sales Agreement or the portion of the 2001 Alcoa Block Power Sales Agreement which has been assigned to the Company.
- (f) BPA hereby agrees that the Company may grant any party or parties a security interest in this Agreement, the 1996 Agreement, the 2001 Agreement,

and the Assignments and its rights hereunder and thereunder, including without limitation, its rights to moneys due or to become due under this Agreement.

- (g) For the purposes of this Agreement, the contracting official is Mark E. Miller, the head or Acting Administrator of BPA is Stephen Wright, and the disbursing official is Mike Caldwell, all of whom have a business address at Bonneville Power Administration, P.O. Box 3621, 905 NE. 11th Avenue, Portland, OR 97208-3621.

12. FEDERAL POWER SERVICE AFTER SEPTEMBER 30, 2006

The Company agrees that it will not argue in any legal or political forum that it has a statutory right to, or should be allocated, any direct or indirect service of Federal power after September 30, 2006.

13. NOTICES

Any notice required under this Agreement shall be in writing and shall be delivered:

(a) in person; (b) by a nationally recognized delivery service; or (c) by United States Certified Mail. Notices are effective when received. Either party may change its address for notices by giving notice of such change consistent with this section.

If to Longview:

Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294
Attn: John Kolleng

Phone: 708-387-8523

FAX: 708-387-8919

E-Mail: john.kolleng@mccookmetals.com

If to BPA:

Bonneville Power Administration
P.O. Box 3621
905 NE. 11th Avenue
Portland, OR 97208-3621
Attn: Mark E. Miller – PT-5

Account Executive

Phone: 503-230-4003

FAX: 503-230-3681

E-Mail: memiller@bpa.gov

14. GOVERNING LAW AND DISPUTE RESOLUTION

- (a) This Agreement shall be interpreted consistent with and governed by Federal law. Final actions subject to section 9(e) of the Northwest Power Act are not subject to binding arbitration and shall remain within the exclusive jurisdiction of the United States Ninth Circuit Court of Appeals. Any dispute regarding any rights of the Parties under any BPA policy, including the implementation of such policy, shall not be subject to arbitration under this Agreement. The Company reserves the right to seek judicial resolution of any dispute arising under this Agreement that is not subject to arbitration under this section 14. For purposes of this section 14, BPA policy means any written document adopted by BPA as a final action in a decision record or record of decision that establishes a policy of general application, or makes a determination under an applicable statute. If either Party asserts that a dispute is excluded from arbitration under this section 14, either Party may

apply to the Federal court having jurisdiction for an order determining whether such dispute is subject to arbitration under this section 14.

- (b) Any contract dispute or contract issue between the Parties arising out of this Agreement, except for disputes that are excluded through section 14(a) above, shall be subject to binding arbitration. The Parties shall make a good faith effort to resolve such disputes before initiating arbitration proceedings. During arbitration, the Parties shall continue performance under this Agreement pending resolution of the dispute, unless to do so would be impossible or impracticable.
- (c) Any arbitration shall take place in Portland, Oregon, unless the Parties agree otherwise. The CPR Institute for Dispute Resolution's arbitration procedures for commercial arbitration, Non-Administered Arbitration Rules (CPR Rules), shall be used for each dispute; provided, however, that: (1) the Parties shall have the discovery rights provided in the Federal Rules of Civil Procedure unless the Parties agree otherwise; and (2) for claims of \$1 million or more, each arbitration shall be conducted by a panel of three neutral arbitrators. The Parties shall select the arbitrators from a list containing the names of 15 qualified individuals supplied by the CPR Institute for Dispute Resolution. If the Parties cannot agree upon three arbitrators on the list within 20 business days, the Parties shall take turns striking names from the list of proposed arbitrators. The Party initiating the arbitration shall take the first strike. This process shall be repeated until three arbitrators remain on the list, and those individuals shall be designated as the arbitrators. For disputes involving less than \$1 million, a single neutral arbitrator shall be selected consistent with section 6 of the CPR Rules.
- (d) Except for arbitration awards which declare the rights and duties of the Parties under this Agreement, the payment of monies shall be the exclusive remedy available in any arbitration proceeding. Under no circumstances shall specific performance be an available remedy against BPA. The arbitration award shall be final and binding on both Parties, except that either Party may seek judicial review based upon any of the grounds referred to in the Federal Arbitration Act, 9 U.S.C. §1-16 (1988). Judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof.
- (e) Each Party shall be responsible for its own costs of arbitration, including legal fees. The arbitrators may apportion all other costs of arbitration between the Parties in such manner as they deem reasonable taking into account the circumstances of the case, the conduct of the Parties during the proceeding, and the result of the arbitration.

15. STANDARD PROVISIONS

- (a) **Amendments**
No oral or written amendment, rescission, waiver, modification, or other change of this Agreement shall be of any force or effect unless set forth in a written instrument signed by authorized representatives of each Party.

(b) **Assignment**

This Agreement is binding on any successors and assigns of the Parties. BPA may assign this Agreement, including all rights and obligations hereunder, to another Federal agency to which BPA's statutory duties have been transferred. The consent of BPA is hereby given to an assignment of this Agreement to a successor in interest of the Company, or any Company facility served directly by the BPA Power Business Line, for use at any existing direct service industrial facility served directly by the BPA Power Business Line on the date of the assignment. Neither Party may otherwise transfer or assign this Agreement without the other Party's written consent. Such consent shall not be unreasonably withheld.

(c) **Information Exchange and Confidentiality**

The Parties shall provide each other with any information that is reasonably required, and requested by either Party in writing, to operate under and administer this Agreement. Such information shall be provided in a timely manner. Information may be exchanged by any means agreed to by the Parties. If such information is subject to a privilege of confidentiality, a confidentiality agreement or statutory restriction under state or Federal law on its disclosure by a Party to this Agreement, then that Party shall endeavor to obtain whatever consents, releases, or agreements are necessary from the person holding the privilege to provide such information while asserting the confidentiality over the information. Information provided to BPA which is subject to a privilege of confidentiality or nondisclosure shall be clearly marked as such and BPA shall not disclose such information without obtaining the consent of the person or Party asserting the privilege, consistent with BPA's obligation under the Freedom of Information Act. BPA may use such information as necessary under this Agreement. BPA shall only disclose information received under this provision to BPA employees who need the information for purposes of this Agreement.

(d) **Entire Agreement**

This Agreement, including all provisions, exhibits incorporated as part of this Agreement, and documents incorporated by reference, constitutes the entire agreement between the Parties. It supersedes all previous communications, representations, or contracts, either written or oral, which purport to describe or embody the subject matter of this Agreement.

(e) **Exhibits**

The exhibits listed in the table of contents are incorporated into this Agreement by reference. The exhibits may only be revised upon mutual agreement between the Parties unless otherwise specified in the exhibits. The body of this Agreement shall prevail over the exhibits to this Agreement in the event of a conflict.

(f) **No Third-Party Beneficiaries**

Except for assignee(s) contemplated by Section 11(d), this Agreement is made and entered into for the sole protection and legal benefit of the Parties, and no other person shall be a direct or indirect legal beneficiary of, or have any direct or indirect cause of action or claim in connection with this Agreement.

(g) **Waivers**

Any waiver at any time by either Party to this Agreement of its rights with respect to any default or any other matter arising in connection with this Agreement shall not be considered a waiver with respect to any subsequent default or matter.

(h) **Severability**

If any term of this Agreement is found to be invalid by a court of competent jurisdiction then such term shall remain in force to the maximum extent permitted by law. All other terms shall remain in force unless that term is determined not to be severable from all other provisions of this Agreement by such court.

16. OBLIGATIONS UNDER THE 1996 AGREEMENT AND THE 2001 AGREEMENT

(a) **Obligations Under the 1996 Agreement**

Under the 1996 Agreement, the Company shall pay BPA \$100/MWh for Station Service Power (as this term is defined in the 1996 Agreement) beginning at 2400 hours on February 28, 2001. Beginning on the Effective Date and continuing through 2400 hours on February 28, 2001, the Company shall pay BPA the IP-96 rate for power consumed at the Smelter during the "ramp down" to achieve full curtailment by March 1, 2001. The Company shall be relieved of its obligation to pay a fixed curtailment fee for amounts curtailed pursuant to section 4.

(b) **Obligations Under the 2001 Agreement**

Under the 2001 Agreement, the Company shall be relieved of its take-or-pay obligation for amounts curtailed pursuant to section 4 above. Beginning October 1, 2001, and continuing through March 31, 2002, the Company shall pay \$100/MWh for Station Service Power. During the period from April 1, 2002 through May 31, 2002, the Company shall be relieved of its take or pay obligations under the 2001 Agreement and shall only pay for power delivered.

(c) **No Set Off**

The payments which the Company is required to make to the BPA under the 1996 Agreement, the 2001 Agreement and any Transmission Agreements, as applicable, shall not be set off or netted against the payments which BPA is required to make to the Company or its assignees pursuant to this Agreement.

17. COUNTERPARTS

This Agreement may be executed in two counterparts, each of which shall constitute an original and which together shall constitute one and the same agreement.

18. SIGNATURES

The signatories represent that they are authorized to enter into this Agreement on behalf of the Party for whom they sign.

LONGVIEW ALUMINUM, LLC

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By /S/ JOHN L. KOLLENG

By /S/ MARK E. MILLER

Name John L. Kolleng *(Print / Type)*

Name Mark E. Miller *(Print / Type)*

Title Vice Chairman

Title Account Executive

Date As of February 21, 2001

Date As of February 21, 2001

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Exhibit A
CONTRACT NO. 01PB-10786
CURTAILMENTS

<u>Time Period</u>	<u>Amount Curtailed (MW)</u>
Effective Date through 02/28/2001	Partial Curtailment*
03/01/2001 through 09/30/2001	420 MW on every hour
10/01/2001 through 03/31/2002	280 MW on every hour
04/01/2002 through 06/30/2002	180 MW on every hour

*Prior to 2400 hours on February 28, 2001, the Company shall curtail power in order to be at a level of curtailment of 420 MW as of 2400 hours on February 28, 2001.

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Exhibit B
CONTRACT NO. 01PB-10786
PAYMENT SCHEDULES

Subject to BPA's right to reduce payments pursuant to section 5 of the body of this Agreement, the total amount of the payments which BPA is required to make to the Company or its assignee(s) under this Agreement is set forth in Table 1 of this Exhibit B. BPA shall make the total amount of the payments which BPA is required to make each month under the Agreement in three separate payments to three separate bank accounts. The Company shall have the right to determine in its discretion the amount of the three separate payments and the three separate bank accounts to which such payments shall be made. Such amounts and accounts shall be set forth in Tables 2, 3, and 4 of this Exhibit B, which Tables shall be prepared by the Company and executed by both the Company and the BPA. If BPA exercises its right to reduce the total amount of the payments in any given month pursuant to section 5 of the body of this Agreement, then the payments shall be applied, first, to the payments contemplated by Table 2 until paid in full, second, to the payments contemplated by Table 3 until paid in full and third, to the payments contemplated by Table 4. Subject to the Parties having fulfilled any obligations they may have to obtain third party consents, including Contract No. 01PB-10790, the Company shall have the right to revise Tables 2, 3, and 4 by providing written notice to BPA, provided that the total amount of the payments which BPA is required to make in any given month shall not exceed the total amount of the payments set forth in Table 1 of this Exhibit B. In the event the Tables 2, 3 and/or 4 are revised at the Company's request, BPA and the Company shall sign revised versions of such Tables.

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Exhibit B
CONTRACT NO. 01PB-10786
TABLE 1--TOTAL PAYMENT SCHEDULE

<u>Date</u>	<u>Amount</u>
March 20, 2001	\$17,000,000
April 20, 2001	\$19,452,380
May 20, 2001	\$21,869,047
June 20, 2001	\$21,869,047
July 20, 2001	\$21,869,047
August 20, 2001	\$21,869,047
September 20, 2001	\$21,869,047
October 20, 2001	\$21,869,047
November 20, 2001	\$14,583,333
December 20, 2001	\$14,583,333
January 20, 2002	\$14,583,333
February 20, 2002	\$14,583,339
 TOTAL	 \$226,000,000

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Exhibit B
CONTRACT NO. 01PB-10786
TABLE 3--PAYMENT SCHEDULE
FOR FUNDING AGENT ACCOUNT

<u>Date</u>	<u>Amount</u>
March 20, 2001	\$9,102,500
April 20, 2001	\$16,254,880
May 21, 2001	\$18,671,547
June 20, 2001	\$17,671,547
July 20, 2001	\$18,671,547
August 20, 2001	\$18,671,547
September 20, 2001	\$17,671,547
October 22, 2001	\$17,321,547
November 20, 2001	\$10,035,833
December 20, 2001	\$9,035,833
January 21, 2002	\$9,935,833
February 20, 2002	\$4,061,392
TOTAL	<hr/> <hr/> \$167,105,553

Wire Transfer Instructions:

BBK: U.S. Bank National Association (NA), Minneapolis, MN, ABA #091-000-022

BNF: U.S. Bank Trust NA, A/C #1801-2116-7365

OBI: FFC U.S. Bank Trust NE Closing, A/C #47300415
For ABLECO FINANCE LLC, Funding Agent, A/C #77090793

LONGVIEW ALUMINUM, LLC

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By /S/ JOHN L. KOLLENG

By /S/ MARK E. MILLER

Name John L. Kolleng(Print / Type)

Name Mark E. Miller(Print / Type)

Title Vice Chairman

Title Account Executive

Date February 26, 2001

Date February 26, 2001

hanlon:cg:3562:2/20/01 (PBLAN-PST-\\hq5f01\M_WG\PSC\PM\CT\10786.DOC) 02/28/01

Exhibit B
CONTRACT NO. 01PB-10786
TABLE 4--PAYMENT SCHEDULE
FOR SECURITIES ACCOUNT

<u>Date</u>	<u>Amount*</u>
March 20, 2001	\$4,097,500
April 20, 2001	\$1,447,500
May 21, 2001	\$1,447,500
June 20, 2001	\$2,530,833
July 20, 2001	\$1,447,500
August 20, 2001	\$1,447,500
September 20, 2001	\$2,530,833
October 22, 2001	\$1,447,500
November 20, 2001	\$1,447,500
December 20, 2001	\$2,530,834
January 21, 2002	\$1,447,500
February 20, 2002	\$7,321,947
TOTAL	\$29,144,447

Wire Transfer Instructions: VIA FED WIRE

BBK: U.S. Bank NA, Minneapolis, MN, ABA #091-000-022

BNF: U.S. Bank Trust NA, A/C #1801-2116-7365

OBI: U.S. Bank Trust N.A A/C #47300017

For LONGVIEW ALUMINUM BLOCKED ACCOUNT #77090791. Attn: Jamie
Stahle

LONGVIEW ALUMINUM, LLC

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By /S/ JOHN L. KOLLENG

By /S/ MARK E. MILLER

Name John L. Kolleng(Print/Type)

Name Mark E. Miller(Print/Type)

Title Vice Chairman

Title Account Executive

Date February 26, 2001

Date February 26, 2001

*If the Company desires to change the amount for any month(s), it shall notify BPA in writing of such changed amount(s) by the 1st day of each month. BPA shall then prepare a revision to this Table 4 for execution by the Parties.

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Revision No. 1, Exhibit B
CONTRACT NO. 01PB-10786
TABLE 2—PAYMENT SCHEDULE
FOR BORROWER UNION ACCOUNT

This revision changes the wire transfer instructions for the December 20, 2001, January 21, 2002, and February 20, 2002 payments.

<u>Date</u>	<u>Amount*</u>
March 20, 2001	\$3,800,000
April 20, 2001	\$1,750,000
May 20, 2001	\$1,750,000
June 20, 2001	\$1,666,667
July 20, 2001	\$1,750,000
August 20, 2001	\$1,750,000
September 20, 2001	\$1,666,667
October 20, 2001	\$3,100,000
November 20, 2001	\$3,100,000
December 20, 2001	\$3,016,666
January 20, 2002	\$3,200,000
February 20, 2002	\$3,200,000
TOTAL	\$29,750,000

Wire Transfer Instructions:

BBK: Bank of America, Chicago, IL, ABA #~~11100012~~ *111000012* *mm 12/18/01*

BNF: Longview Aluminum Hourly Payroll Account

OBI: Account No. 375 215 7994

LONGVIEW ALUMINUM, LLC

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By *[Signature]*
Name JOHN L. KOLLENC
(Print/Type)

Title Vice Chairman

Date 12/13/01

By *[Signature]*
Name MARK E. MILLER
(Print/Type)

Title Customer Account Executive

Date 12/18/01

*If the Company desires to change the amount for any month(s), it shall notify BPA in writing of such changed amount(s) by the 1st day of each month. BPA shall then prepare a revision to this Table 2 for execution by the Parties.

(M_WG-PST-\\hq5f01\M_WG\PSC\PM\CT\10786T2ExB.DOC)

Curtailment #2
terminated

Contract No. 01PB-10776

CURTAILMENT AGREEMENT
executed by the
BONNEVILLE POWER ADMINISTRATION
and
LONGVIEW ALUMINUM, LLC

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This CURTAILMENT AGREEMENT (Agreement) is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA) and LONGVIEW ALUMINUM, LLC, (Company), a limited liability company organized under the laws of the State of Delaware.

RECITALS

The Company represents to BPA that it has entered into an Asset Purchase Agreement with Reynolds Metals Company ("Reynolds") dated December 22, 2000, (the "Purchase Agreement") pursuant to which the Company intends to acquire and/or lease from Reynolds substantially all of the assets comprising the Longview primary aluminum plant located in Longview, Washington, (the "Smelter") and related assets and contractual rights and obligations (the "Acquisition"). The Company further represents that, in connection with the Acquisition, the Company intends that: (i) Reynolds shall assign to the Company its rights to 420 megawatts (MW) of the Contract Demand under Contract No. 95MS-94865 (the "1996 Reynolds Power Sales Agreement"), which provides for the sale of power and provision of transmission services by BPA to Reynolds during the period from October 1, 1996, through September 30, 2001; and (ii) Alcoa Inc. ("Alcoa") shall assign to the Company its rights to 280 MW of the Firm Power on every hour under Contract No. 00PB-12196 (the "2001 Alcoa Block Power Sales Agreement"), which provides for the sale of Firm Power by BPA to Alcoa during the period from October 1, 2001 through September 30, 2006 (such assignments are hereinafter collectively referred to as the "Assignments").

Prior to or on the effective date of the Assignments, BPA and the Company will execute a Block Power Sales Agreement designated as Contract No. 01PB-10769 ("2001 Agreement") in order to set forth the rights and obligations between BPA and the Company with respect to the 280 MW of Firm Power (as such term is defined in the 2001 Alcoa Block Power Sales Agreement) on every hour which is assigned by Alcoa to the Company under the Alcoa 2001 Agreement. Although the 2001 Agreement shall be substantially similar to the Alcoa 2001 Agreement, it shall include such modifications to the Alcoa 2001 Agreement as are mutually agreed upon by BPA and Longview.

The amount of power to be available to the Company under the 2001 Agreement will not be sufficient to meet all of the power needs of the Smelter. Also, the current price for aluminum and the costs of obtaining power to operate the Smelter in excess of the power available under the 2001 Agreement make full operation of the Smelter at the present time uneconomical and not in the best interests of the Company.

Accordingly, the Company desires to curtail operations of the Smelter during the period from the Effective Date (as defined in section 1 below) through March 31, 2002, and BPA is agreeable to such curtailment pursuant to the terms of this Agreement. Curtailments during this period will enable BPA to avoid power supply costs. BPA will pay the Company for the curtailed power.

The Company's curtailment proceeds and other cost savings associated with the curtailment will improve the Company's ability to maintain long-term Smelter operations. Long-term operation of the Smelter depends on a skilled workforce, reduced costs, and a long-term power supply from new generating resources. A portion of the monetary benefits of this Agreement will be used to enable the Company to retain its workforce. A separate agreement between the Company and the United Steelworkers of America provides that Smelter employees will be compensated during the curtailment. Employee compensation will mitigate the impact of the curtailment on the local community. Proceeds from remarketing will also enable the Company to reduce Smelter costs. These actions also make it possible for

the Company to develop new generating resources to replace its BPA power supply no later than September 30, 2006.

Pursuant to this Agreement, the Company also agrees not to take power service from BPA, either directly or indirectly, after September 30, 2006, which provides an additional material benefit to BPA and its customers.

THEREFORE, BPA and the Company agree as follows:

1. TERM

This Agreement takes effect on the date it is executed by the Parties and shall continue in effect until 2400 hours on March 31, 2002. The obligations of the Parties under this Agreement shall become effective on the date that both of the following conditions have been satisfied (Effective Date): (a) the document effectuating the Assignments has been executed by Reynolds and Alcoa and delivered to the Company and BPA; and (b) the 2001 Agreement has been executed by the Parties. All obligations incurred hereunder shall be preserved until satisfied.

2. TERMINATION OF AGREEMENT

If the Effective Date has not occurred by 2400 hours on February 14, 2001, then this Agreement shall terminate automatically at 2400 hours on February 14, 2001, without liability or penalty by either Party to the other Party.

3. DEFINITIONS

Capitalized terms used in this Agreement unless otherwise defined in the text of this Agreement shall have the meanings defined below. All references to time in this Agreement shall be Pacific Daylight Time or Pacific Standard Time, as applicable.

- (a) "Business Day" means a normal day of business for both Parties.
- (b) "Company Proceeds" shall mean the moneys paid and required to be paid by BPA to the Company pursuant to this Agreement.
- (c) "Party" or "Parties" means BPA and/or the Company.
- (d) "Qualified Expenditures" means expenditures for the purposes identified in sections 10(a), 10(b), 10(c) and 10(d) of this Agreement.
- (e) "Transmission Agreement" means the transmission agreement that will be executed by the Company and BPA's Transmission Business Line that provides for the transmission of power to serve load at the Smelter.
- (f) "Unrecoverable Costs" mean the unrecoverable costs of BPA substation and transmission facilities used to serve Company load at the Smelter. If these facilities must be removed from the site, the unrecoverable costs shall include, in addition to the unamortized investment for such facilities, all reasonable cost involved in the disposition of such facilities, such as, but not limited to, labor in dismantling equipment, transportation, site restoration, and cleanup, less any mitigation, such as the salvage value of such equipment. The

unamortized investment in such facilities shall be included in the Transmission Agreement.

- (g) "Use-of-Facilities Charges" means a monthly charge under the Transmission Agreement that reflects the investment, operations, and maintenance costs associated with substation facilities used to serve Company load at the Smelter.

4. CURTAILMENTS

The Company shall curtail its consumption of Federal power at the Smelter during the periods of time and for the MW amounts set forth on Exhibit A.

5. FAILURE TO ACHIEVE FULL CURTAILMENTS

If the curtailments, specified in Exhibit A, have not been fully achieved for the time periods specified in Exhibit A, then BPA shall deduct from the first monthly payment (and subsequent monthly payments, if necessary) amounts determined as follows:

During the period that begins at 2400 hours on February 14, 2001, and continues for the remaining term of this Agreement, BPA shall deduct an amount equal to the number of megawatthours (MWh) not curtailed multiplied by the daily average heavy load hours (or peak) and average light load hours (or off peak) firm price indices for sales of electricity at delivery points along the Mid-Columbia River during the days that have not been fully curtailed, as published by Dow Jones & Company, Inc.

Amounts under this section 5 shall be calculated following the last day of each calendar month and any deduction shall be reflected in the payment due on the next payment date. In the event that any amount owed to BPA by the Company exceeds the amount of the next payment to the Company from BPA pursuant to section 7 (Excess Amount Owed), BPA shall bill the Company and the Company shall pay the Excess Amount Owed. The billing provisions of the 2001 Agreement shall apply for any Excess Amount Owed BPA under this section 5; **provided, however**, that the Company may, by providing written notice to BPA, defer any Excess Amount Owed to the next monthly payment date and set off such Excess Amount Owed against the payment due on such next monthly payment date, subject to the application of the late payment charge in the 2001 Agreement.

6. CONSIDERATION FOR THE CURTAILMENTS

In consideration of the curtailments by the Company described in section 4 above, BPA shall pay the Company the aggregate sum set forth on Exhibit B, unless this amount is reduced pursuant to section 5 above.

7. PAYMENTS TO THE COMPANY

BPA shall pay the Company monthly in accordance with the payment schedule specified in Exhibit B. If requested by the Company, BPA shall prepare and the Parties will execute a revision to Exhibit B that allows for monthly payments to be made to more than one account, provided that the total of the monthly payments to all accounts does not exceed the monthly amount in Exhibit B. If the date any payment is due is not a Business Day, then payment will be made on the next Business Day. Payments shall be made by wire transfer to the account or accounts designated by the

Company. Except as set forth in section 5, the payments required to be made by BPA to the Company pursuant to this Agreement shall not be subject to reduction or setoff for any reason.

8. USE-OF-FACILITIES CHARGES AND UNRECOVERABLE COSTS

(a) Use-of-Facilities Charges

The Company shall be relieved of its obligation to pay Use-of-Facilities Charges during the period that begins on the Effective Date and continues through 2400 hours on September 30, 2001. However, beginning October 1, 2001, the Company shall be obligated to pay the Use-of-Facilities Charge pursuant to the terms of the Transmission Agreement.

(b) Unrecoverable Costs

The Company shall be obligated to pay Unrecoverable Costs pursuant to the terms of the Transmission Agreement.

9. COMPANY OBLIGATIONS TO EMPLOYEES

During the period from the Effective Date through March 31, 2002, the Company shall provide compensation, benefits, and other expenditures related to employee layoffs, maintaining additional employees not required for operations at the reduced level and/or job reassignments as a result of reduced Smelter operating levels. By separate agreement and subject to the terms of such separate agreement, an affiliate of the Company has agreed with the United Steelworkers of America to maintain minimum employment levels and/or made special supplemental payments to employees employed by the Smelter as of the Effective Date.

10. QUALIFIED EXPENDITURES

Qualified Expenditures under this Addendum shall be limited to expenditures incurred for one of the four purposes identified in sections 10(a), 10(b), 10(c), and 10(d) below, which are:

(a) Curtailment and Other Costs

Expenditures or costs related to the acquisition of and curtailing production at the Smelter, including:

- (1)** Compensation, benefits, and other expenditures related to employees consistent with the terms of section 9 above.
- (2)** The cost of cancellation penalties or other costs of reducing obligations for alumina or other materials, costs associated with covering product delivery obligations that cannot be met from the Smelter operating capacity during the curtailment and other costs directly associated with the shutdown.
- (3)** Expenditures on fixed operating and other fixed costs directly related to Smelter operations that cannot be reduced as operating levels are reduced and on debt service, whether or not paid during a curtailment

(including scheduled repayments of principal and interest and redemption or retirement of debt).

- (4) The aggregate purchase price of the assets purchased by the Company in accordance with the Purchase Agreement and the acquisition, financing and other fees, costs and expenses incurred in connection with the Acquisition.

(b) **Power, Upgrades, and Job Retention Costs**

Expenditures or costs incurred to secure a future power supply and enhance operations of the Smelter and retain jobs, including:

- (1) Expenditures incurred for the planning, licensing, siting, acquisition, and/or construction of conventional or renewable resources to provide power for future Company operations and other customers in the Pacific Northwest.
- (2) Expenditures to purchase or otherwise obtain power from any seller after October 1, 2001, that is in addition to the power made available by BPA for the operation of the Company's Pacific Northwest facilities pursuant to the 2001 Agreement.
- (3) Expenditures to upgrade the Pacific Northwest facilities of the Company to achieve energy conservation, operating efficiencies, environmental benefits, or to preserve jobs at the Company's Pacific Northwest facilities.
- (4) Investments in plants which create or retain jobs in the Pacific Northwest or for Steelworkers.
- (5) Grants to the Bonneville Environmental Foundation.

(c) **Tax Costs**

Payment of tax liabilities (including any interest and penalties) created by the transactions contemplated by this Addendum, including:

- (1) An allowance for income taxes in an amount equal to any income tax liability of the Company that results from the payment of Company Proceeds by BPA to the Company or the expenditures of such Company Proceeds in accordance with this section that is not fully deductible for tax purposes in the year incurred.
- (2) Any other obligation to pay taxes as a result of this Agreement or entering into a transaction contemplated by this Agreement.

(d) **Loan Proceeds**

Payment of the principal, interest, fees and other costs associated with any loan made by any lender(s) to the Company the proceeds of which are used for any of the purposes set forth in sections 10(a), 10(b), or 10(c).

(e) **Estimate of Expenditures**

Upon request by BPA, the Company shall provide BPA a non-binding estimate of amounts to be spent under sections 10(a), 10(b), 10(c), and 10(d) above and the timing of when such expenditures will occur.

(f) **Company Proceeds Account**

The Company agrees to establish with a financial institution(s) of its choosing a separate account or accounts (individually, a "Company Proceeds Account" and collectively the "Company Proceeds Accounts") into which the Company Proceeds which are received from BPA after the Effective Date will be deposited. Any Company Proceeds Account may be an account of any lender which has loaned moneys to the Company. The Company shall provide BPA with written notice promptly after withdrawing funds from any Company Proceeds Account. Such notice shall specify the Qualified Expenditure for which the Company Proceeds will be spent and will contain detail sufficient for BPA to confirm that such funds are being spent for a Qualified Expenditure. BPA will have the right, at any time subject to reasonable notice, to audit any Company Proceeds Account, and the Company agrees that it will provide BPA with any other documentation requested by BPA that BPA determines is necessary to audit any Company Proceeds Account or to otherwise confirm that the Company Proceeds are being, or were, spent for the purposes described in sections 10(a), 10(b), 10(c), and 10(d) above. If, as a result of such audit, BPA determines that any disbursement from any Company Proceeds Account has not been expended as contemplated by this section, then subject to section 10(g) below, the Company shall, within 30 days of such finding, pay into any Company Proceeds Account an amount equal to such disallowed disbursement.

(g) **Notice of Decision**

Before finding that a disbursement from any Company Proceeds Account is disallowed, BPA shall: (i) submit written notice to the Company of BPA's belief that the Company has made a disbursement which is not for a Qualified Expenditure, including the information or analysis on which BPA relied; (ii) provide not less than thirty (30) days for the Company to respond to the information provided by BPA; and (iii) provide the Company with BPA's decision, and basis for such decision, after considering the Company's response.

11. BPA CONFIRMATIONS

- (a) BPA hereby consents to the Assignments as described in this Agreement. BPA agrees and confirms that: (i) upon the effective date of the Acquisition and the Assignments, the Company shall be the successor in interest to Reynolds to the portion of the 1996 Reynolds Power Sales Agreement assigned by Reynolds to the Company and the Company shall be the successor in interest to Alcoa to the portion of the 2001 Alcoa Block Power Sales Agreement assigned by Alcoa to the Company; and (ii) the amendment or restatement of the 1996 Reynolds Power Sales Agreement or the 2001 Alcoa Block Power Sales Agreement or the

portions thereof retained by Reynolds or Alcoa or assigned to the Company is not required in order for the Assignments to be effective.

- (b) BPA hereby confirms and agrees that as a result of the Acquisition and the Assignments, the Company becomes a direct service customer of BPA for all purposes of federal law and BPA policies and procedures.
- (c) BPA hereby agrees that under the Tucker Act, BPA is subject to the jurisdiction of the Court of Federal Claims and that the so-called "non-appropriated funds" exception to the jurisdiction of the Court of Federal Claims under the Tucker Act does not apply to BPA.
- (d) BPA hereby agrees that the Company has the right to make an assignment or assignments of the moneys due or to become due by BPA to the Company pursuant to this Agreement to any bank, trust company or other financing institution or its (their) agent for the purpose of securing any loans they may make to the Company the proceeds of which are used for Qualified Expenditures. Any such assignment is not required to cover all moneys due or to become due under this Agreement. In the event of such an assignment, no liability of any nature of the Company to BPA or any department or agency of the United States, whether arising from or independent of this Agreement, shall create or impose any liability on the part of the assignee(s) to make restitution, refund or repayment of any amount received under the assignment. Moneys due or to become due by BPA to the Company pursuant to this Agreement, if assigned by the Company to any bank, trust company or other financing institution or its (their) agent, shall be made to the assignee(s) and shall not be subject to reduction or setoff for any liability of any nature of the Company to BPA or any other department or agency of the United States, whether such liability arises under this Agreement or independently of this Agreement, except as set forth in section 5 of this Agreement.
- (e) Except for amounts not curtailed under this Agreement, this Agreement supercedes the portion of the Reynolds 1996 Agreement assigned to the Company pursuant to the Assignments and neither Party shall have any obligation or liability to the other Party under the 1996 Reynolds Power Sales Agreement or the portion thereof which is assigned to the Company. The 2001 Agreement supersedes the portion of the 2001 Alcoa Block Power Sales Agreement assigned to the Company pursuant to the Assignments and neither Party shall have any obligation or liability to the other Party for the amounts curtailed between October 1, 2001, and March 31, 2002, under the 2001 Alcoa Block Power Sales Agreement or the portion of the 2001 Alcoa Block Power Sales Agreement which has been assigned to the Company.
- (f) BPA hereby agrees that the Company may grant any party or parties a security interest in this Agreement and its rights hereunder, including without limitation, its rights to moneys due or to become due under this Agreement.
- (g) For the purposes of this Agreement, the contracting official is Mark E. Miller and the disbursing official is Mike Caldwell.

12. FEDERAL POWER SERVICE AFTER SEPTEMBER 30, 2006

The Company agrees that it will not argue in any legal or political forum that it has a statutory right to, or should be allocated, any direct or indirect service of Federal power after September 30, 2006.

13. NOTICES

Any notice required under this Agreement shall be in writing and shall be delivered: (a) in person; (b) by a nationally recognized delivery service; or (c) by United States Certified Mail. Notices are effective when received. Either party may change its address for notices by giving notice of such change consistent with this section.

If to Longview:

Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294
Attn: John Kolleng

Phone: 708-387-8523
FAX: 708-387-8919
E-Mail: john.kolleng@mccookmetals.com

If to BPA:

Bonneville Power Administration
P.O. Box 3621
905 NE. 11th Avenue
Portland, OR 97208-3621
Attn: Mark E. Miller – PT-5
Account Executive
Phone: 503-230-4003
FAX: 503-230-3681
E-Mail: memiller@bpa.gov

14. UNDERLYING PROVISIONS

Any disputes arising under this Agreement shall be resolved in accordance with the provisions of section 14 of the 2001 Agreement, which provisions are incorporated by reference as if set forth in full herein.

15. RELIEF FROM TAKE-OR-PAY OBLIGATION

During the period that begins on the Effective Date and continues through September 30, 2001, the Company shall be relieved of its take-or-pay obligation for the amounts curtailed, as specified in Exhibit A. Under the 2001 Agreement, the Company shall be relieved of its take-or-pay obligation for the amounts curtailed pursuant to section 4 above.

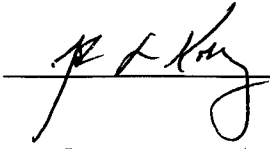
16. COUNTERPARTS

This Agreement may be executed in two counterparts, each of which shall constitute an original and which together shall constitute one and the same agreement.

17. SIGNATURES

The signatories represent that they are authorized to enter into this Agreement on behalf of the Party for whom they sign.

LONGVIEW ALUMINUM, LLC

By 

Name JOHN L. HOLLEN
(Print/Type)

Date 2/6/01

UNITED STATES OF AMERICA

U.S. Department of Energy

Bonneville Power Administration

By 
Account Executive

Name Mark E. Miller
(Print/Type)

Date 2/6/01

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Exhibit A
CONTRACT NO. 01PB-10776
CURTAILMENTS

<u>Time Period</u>	<u>Amount Curtailed (MW)</u>
Effective Date through 02/14/2001	Partial Curtailment*
02/15/2001 through 09/30/2001	320 MW on every hour
10/01/2001 through 03/31/02	280 MW on every hour

*Prior to 2400 hours on February 14, 2001, Longview shall curtail power in order to be at the level of curtailment specified above as of 2400 hours on February 14, 2001.

Exhibit B
CONTRACT NO. 01PB-10776
PAYMENT SCHEDULE

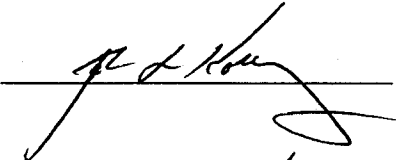
<u>Date</u>	<u>Amount</u>
March 20, 2001	\$14,583,333
April 20, 2001	\$14,583,333
May 20, 2001	\$14,583,333
June 20, 2001	\$14,583,333
July 20, 2001	\$14,583,333
August 20, 2001	\$14,583,333
September 20, 2001	\$14,583,333
October 20, 2001	\$14,583,333
November 20, 2001	\$14,583,333
December 20, 2001	\$14,583,333
January 20, 2002	\$14,583,333
February 20, 2002	\$14,583,333
TOTAL	<hr/> \$175,000,000

AMENDMENT NO. 1
CURTAILMENT AGREEMENT
CONTRACT NO. 01PB-10776

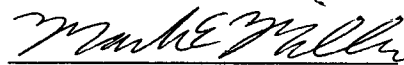
executed by the
BONNEVILLE POWER ADMINISTRATION
and
LONGVIEW ALUMINUM, LLC

This Amendment No. 1 (the "Amendment") is an amendment to Contract No. 01PB-10776 (the "Agreement") between the United States of America, Department of Energy acting by and through the Bonneville Power Administration (BPA) and Longview Aluminum, LLC (Longview) dated February 6, 2001. This Amendment shall not become effective unless and until Longview provides a written notice to BPA stating it desires for this Amendment to become effective (the "Amendment Effectiveness Notice"). In the event Longview has not issued such Amendment Effectiveness Notice to BPA by 2400 hours February 28, 2001, this Amendment shall automatically expire and shall be of no further force and effect. In the event Longview issues the Amendment Effectiveness Notice prior to 2400 hours on February 28, 2001, then Longview shall, effective March 1, 2001, and continuing through September 30, 2001, curtail an additional 100 megawatts on every hour at the Smelter. The Exhibits attached to this Amendment and designated as Revision No. 1 of Exhibit A and Revision No. 1 of Exhibit B shall supersede Exhibit A and Exhibit B of the Agreement and all other provisions of the Agreement shall remain in full force and effect.

LONGVIEW ALUMINUM, LLC

By 
Name John L. Kozlowski
(Print/Type)
Date 2/6/01

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By 
Account Executive
Name Mark E. Miller
(Print/Type)
Date 2/6/01

hanlon:cg:3562:2/2/01 (PBLAN-PSW-\\hq5f01\M_WG\PSC\PM\CT\10776AA1.doc) 02/06/01



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

February 6, 2001

In reply refer to: PT-5

Mr. John L. Kolleng
Vice Chairman & General Counsel
McCook Metals LLC
4900 First Avenue
McCook, IL 60525-3294

Dear Mr. Kolleng:

Please find enclosed two original copies of the Curtailment Agreement, No. 01PB-10776 between the Bonneville Power Administration (BPA) and Longview Aluminum, LLC (Longview). Also enclosed are two originals of Amendment No. 1. Please execute all originals with authorized signatures and return an original to Bonneville and retaining an original for your files. This FedEx delivery follows copies faxed on February 6, 2001.

For any further questions, please call me at 503-230-4003. We look forward to continuing our business relationship with you.

Sincerely,

A handwritten signature in cursive script, reading "Mark E. Miller", is positioned above the typed name.

Mark E. Miller
Account Executive

**REVISION NO. 1
EXHIBIT A
CURTAILMENT AGREEMENT
CONTRACT NO. 01PB-10776
CURTAILMENTS**

<u>Time Period</u>	<u>Amount Curtailed (MW)</u>
Effective Date through 02/14/2001	Partial Curtailment*
02/15/2001 through 02/28/2001	320 MW on every hour
03/01/2001 through 09/30/2001	420 MW on every hour
10/01/2001 through 03/31/2002	280 MW on every hour

*Prior to 2400 hours on February 14, 2001, Longview shall curtail power in order to be at the level of curtailment specified above as of 2400 hours on February 14, 2001.

**REVISION NO.1
EXHIBIT B
CURTAILMENT AGREEMENT
CONTRACT NO. 01PB-10776
PAYMENT SCHEDULE**

<u>Date</u>	<u>Amount</u>
March 20, 2001	\$14,583,333
April 20, 2001	\$21,869,047
May 20, 2001	\$21,869,047
June 20, 2001	\$21,869,047
July 20, 2001	\$21,869,047
August 20, 2001	\$21,869,047
September 20, 2001	\$21,869,047
October 20, 2001	\$21,869,047
November 20, 2001	\$14,583,333
December 20, 2001	\$14,583,333
January 20, 2002	\$14,583,333
February 20, 2002	\$14,583,333
TOTAL	<hr/> \$226,000,000



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

February 14, 2001

In reply refer to: PTS-5

Amendment No. 1
Contract No. 01PB-10776
CURTAILMENT AGREEMENT

Mr. John Kolleng
Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294

Dear Mr. Kolleng:

This letter agreement (Amendment No. 1) constitutes an amendment to Contract No. 01PB-10776 (Curtailment Agreement) between the Bonneville Power Administration (BPA) and Longview Aluminum, LLC (Company). The Parties have agreed to amend the Curtailment Agreement as follows:

1. EFFECTIVE DATE. This Amendment No. 1 shall become effective on the date signed by the Parties.

2. AMENDMENT OF CURTAILMENT AGREEMENT. The Curtailment Agreement is amended as follows:

(a) Section 2 is deleted and replaced by the following:

"2. TERMINATION OF AGREEMENT

If the Effective Date has not occurred by 2400 hours on February 20, 2001, then this Agreement shall terminate automatically at 2400 hours on February 20, 2001, without liability or penalty by either Party to the other Party."

(b) Section 6 is deleted and replaced by the following:

"6. CONSIDERATION FOR THE CURTAILMENTS

In consideration of the curtailments by the Company described in section 4 above, BPA shall pay the Company the aggregate sum set forth on Exhibit B, unless this amount is reduced pursuant to section 5 above. The first monthly payment due the Company under this Agreement shall be reduced by \$548,700 for each calendar day, beginning February 15, 2001, until the Effective Date has occurred."

If this Amendment No. 1 is acceptable to the Company, please so indicate by signing both originals and return one original to me. The remaining original is for your files.

Sincerely,



Account Executive
Mark E. Miller


ACCEPTED:

LONGVIEW ALUMINUM, LLC

By



Name


(Print/Type)

Title

VIC CHAIRMAN

Date

2/14/01

(PBLLAN-PST-W:\PSC\PM\CT\10776AA1.DOC)



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

February 14, 2001

In reply refer to: PTS-5

Amendment No. 1
Contract No. 01PB-10776
CURTAILMENT AGREEMENT

Mr. John Kolleng
Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294

Dear Mr. Kolleng:

This letter agreement (Amendment No. 1) constitutes an amendment to Contract No. 01PB-10776 (Curtailment Agreement) between the Bonneville Power Administration (BPA) and Longview Aluminum, LLC (Company). The Parties have agreed to amend the Curtailment Agreement as follows:

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2. **AMENDMENT OF CURTAILMENT AGREEMENT.** The Curtailment Agreement is amended as follows:

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In consideration of the curtailments by the Company described in section 4 above, BPA shall pay the Company the aggregate sum set forth on Exhibit B, unless this amount is reduced pursuant to section 5 above. The first monthly payment due the Company under this Agreement shall be reduced by \$548,700 for each calendar day, beginning February 15, 2001, until the Effective Date has occurred."

If this Amendment No. 1 is acceptable to the Company, please so indicate by signing both originals and return one original to me. The remaining original is for your files.

Sincerely,



Account Executive
Mark E. Miller

ACCEPTED:

LONGVIEW ALUMINUM, LLC

By



Name

(Print/Type)

JOHN L. RALSTON

Title

VIC CHAIRMAN

Date

2/14/01

(PBLAN-PST-W:\PSC\PM\CT\10776AA1.DOC)

AMENDMENT NO. 1
CURTAILMENT AGREEMENT
CONTRACT NO. 01PB-10776

executed by the
BONNEVILLE POWER ADMINISTRATION
and
LONGVIEW ALUMINUM, LLC

This Amendment No. 1 (the "Amendment") is an amendment to Contract No. 01PB-10776 (the "Agreement") between the United States of America, Department of Energy acting by and through the Bonneville Power Administration (BPA) and Longview Aluminum, LLC (Longview) dated February 6, 2001. This Amendment shall not become effective unless and until Longview provides a written notice to BPA stating it desires for this Amendment to become effective (the "Amendment Effectiveness Notice"). In the event Longview has not issued such Amendment Effectiveness Notice to BPA by 2400 hours February 28, 2001, this Amendment shall automatically expire and shall be of no further force and effect. In the event Longview issues the Amendment Effectiveness Notice prior to 2400 hours on February 28, 2001, then Longview shall, effective March 1, 2001, and continuing through September 30, 2001, curtail an additional 100 megawatts on every hour at the Smelter. The Exhibits attached to this Amendment and designated as Revision No. 1 of Exhibit A and Revision No. 1 of Exhibit B shall supersede Exhibit A and Exhibit B of the Agreement and all other provisions of the Agreement shall remain in full force and effect.

LONGVIEW ALUMINUM, LLC

UNITED STATES OF AMERICA
U.S. Department of Energy
Bonneville Power Administration

By _____

By _____
Account Executive

Name _____
(Print/Type)

Name Mark E. Miller
(Print/Type)

Date _____

Date _____

hanlon:cg:3562:2/2/01 (PBLAN-PSW-\\hq5f01\M_WG\PSC\PM\CT\10776AA1.doc) 02/06/01

**REVISION NO. 1
EXHIBIT A
CURTAILMENT AGREEMENT
CONTRACT NO. 01PB-10776
CURTAILMENTS**

<u>Time Period</u>	<u>Amount Curtailed (MW)</u>
Effective Date through 02/14/2001	Partial Curtailment*
02/15/2001 through 02/28/2001	320 MW on every hour
03/01/2001 through 09/30/2001	420 MW on every hour
10/01/2001 through 03/31/2002	280 MW on every hour

*Prior to 2400 hours on February 14, 2001, Longview shall curtail power in order to be at the level of curtailment specified above as of 2400 hours on February 14, 2001.

REVISION NO.1
EXHIBIT B
CURTAILMENT AGREEMENT
CONTRACT NO. 01PB-10776
PAYMENT SCHEDULE

<u>Date</u>	<u>Amount</u>
March 20, 2001	\$14,583,333
April 20, 2001	\$21,869,047
May 20, 2001	\$21,869,047
June 20, 2001	\$21,869,047
July 20, 2001	\$21,869,047
August 20, 2001	\$21,869,047
September 20, 2001	\$21,869,047
October 20, 2001	\$21,869,047
November 20, 2001	\$14,583,333
December 20, 2001	\$14,583,333
January 20, 2002	\$14,583,333
February 20, 2002	\$14,583,333
TOTAL	\$226,000,000

Insley, Gary C - PTS

From: Hanlon, Doug - PTS-5
Sent: Tuesday, February 06, 2001 11:15 AM
To: Clark, Harry W - PTS-5; Klippstein, Janet - PTS-5
Cc: Insley, Gary - PTS-5
Subject: FW: MCCOOK 2001 AGREEMENT

fyi.

-----Original Message-----

From: Hanlon, Doug - PTS-5
Sent: Tuesday, February 06, 2001 9:46 AM
To: 'JSmith@PattonBoggs.com'
Cc: Runzler, Kurt W - LP-7; Miller, Mark - PT-5
Subject: MCCOOK 2001 AGREEMENT



10769.doc

The changes I have made to this agreement are as follows:

1. Section 1 -- In the last sentence, I have changed both dates to 2400 hours on February 14, 2001.
2. Section 2(d) -- I have changed the contract no. from 10765 (now terminated) to 10776.
3. Section 5(c) -- I have changed the language in the first paragraph to point to the curtailment agreement, rather than specify the curtailments in section 5(c).

Please review this document and let me know if there are other conforming changes that need to be made.

Insley, Gary C - PTS

From: Hanlon, Doug - PTS-5
Sent: Tuesday, February 06, 2001 11:14 AM
To: Clark, Harry W - PTS-5; Klippstein, Janet - PTS-5
Cc: Insley, Gary - PTS-5
Subject: FW: FINAL MCCOOK CURTAILMENT AGREEMENT + AMENDMENT

fyi.

-----Original Message-----

From: Hanlon, Doug - PTS-5
Sent: Tuesday, February 06, 2001 9:18 AM
To: 'JSmith@PattonBoggs.com'
Cc: Runzler, Kurt W - LP-7; Miller, Mark - PT-5; Oliver, Stephen - PT-5; Wilson, Sarah J - PTS-5
Subject: FINAL MCCOOK CURTAILMENT AGREEMENT + AMENDMENT



10776.doc



10776AA1.doc

Here are the final electronic versions of the subject documents. Mark Miller will sign two originals today and Fed-Ex them to McCook for signature by McCook tomorrow (02/07). Jeff -- I expect that you and Mark will work out the Fax confirmation signature process today.



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

February 23, 2001

In reply refer to: PT-5

Contract No. 01PB-10790

CONSENT

Mr. Michael Lynch
Longview Aluminum, LLC
4900 First Avenue
McCook, IL 60525-3294

Mr. Kevin Genda
Ableco Finance LLC
450 Park Avenue, 28th Floor
New York, New York 10022
Fax: 212 891-1541

Gentlemen:

Reference is made to the Curtailment Agreement, Contract No. 01PB-10786, dated February 21, 2001, as amended from time to time (the "Curtailment Agreement"), between the Bonneville Power Administration (the "BPA") and Longview Aluminum, LLC (the "Borrower"). The BPA understands there is or will be a Loan Agreement, as amended from time to time (the "Loan Agreement"), among the Borrower, the Lenders (as defined in the Loan Agreement) and Ableco Finance LLC, as Administrative Agent for the Lenders (the "Administrative Agent"), pursuant to which the Lenders have agreed to make a loan to the Borrower. All terms not defined herein shall have the meaning set forth in the Curtailment Agreement.

1. Authority. The BPA hereby represents and warrants to the Administrative Agent for the benefit of the Lenders that the execution, delivery and performance by the BPA of this Consent and the Curtailment Agreement and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the BPA. Each of this Consent and the Curtailment Agreement have been duly and validly executed and delivered by the BPA, and constitute a legal, valid and binding obligation of the BPA enforceable against the BPA in accordance with its terms.

2. Collateral Assignment. The BPA is informed that a Security Agreement, as amended from time to time (the "Security Agreement") has been entered by the Borrower and the Administrative Agent, pursuant to which the Borrower has granted to the Administrative Agent, for the benefit of the Lenders and as collateral security for the Borrower's Obligations (as defined in the Loan Agreement) under the Loan Agreement, a continuing security interest in the Borrower's right, title and interest in the Curtailment Agreement (the "Collateral Assignment"). The BPA acknowledges and agrees that the Borrower may grant any party a security interest in the Curtailment Agreement, the 1996 Agreement, and the 2001 Agreement and the Borrower's

rights thereunder, but only to the extent of the Borrower's rights and obligations thereunder, including without limitation, its rights to moneys due or to become due under the Curtailment Agreement which are assigned to the Administrative Agent for the benefit of the Lenders for the purpose of securing the Borrower's Obligations.

(3) Modifications to and Assignments of Curtailment Agreement.

(i) For so long as there are Obligations for the payment of money outstanding under the Loan Agreement, the BPA represents and covenants that it will not, without the prior written consent of the Administrative Agent, amend, supplement or otherwise modify the Curtailment Agreement (as in effect on the date hereof) in any manner which a) changes any of the Company Proceeds Account information contained in Exhibit B of the Curtailment Agreement, or b) reduces or has the effect of reducing any of the three separate payments of moneys due or to become due under the Curtailment Agreement. The consent of the Administrative Agent shall not be unreasonably withheld. With respect to any changes to the allocation of the monthly amounts under tables 2 and 4 of Exhibit B of the Curtailment Agreement, if the Administrative Agent has not notified BPA in writing that it withholds such consent within five business days from the date of receipt of written notice from BPA, then the Administrative Agent shall be deemed to have approved such change. The Administrative Agent agrees to provide the BPA with written notice when the Borrower's Obligations for the payment of money under the Loan Agreement have been paid in full. Notwithstanding the foregoing, the BPA's exercise of its rights of offset under section 5 of the Curtailment Agreement in the event of any failure by the Borrower to curtail in accordance with the terms of the Curtailment Agreement shall not be deemed to constitute an amendment to or otherwise modify the Curtailment Agreement.

(ii) The BPA shall not assign the Curtailment Agreement as provided in section 15(b) of the Curtailment Agreement unless the assignee agrees in writing to assume the BPA's obligations under both the Curtailment Agreement and this Consent.

(4) Notices. For so long as there are Obligations for the payment of money outstanding under the Loan Agreement, the BPA shall deliver to the Administrative Agent at the address set forth above, concurrently with the delivery thereof to the Borrower, a copy of each material written notice, request or demand given by the BPA to the Borrower pursuant to the Curtailment Agreement.

(5) Rights and Obligations under the Curtailment Agreement. Upon the request of the Administrative Agent, the BPA shall provide the Administrative Agent with written notice of the then known liabilities and obligations of the Borrower under the Curtailment Agreement. If the Administrative Agent, or any designee thereof, obtains title to the rights of the Borrower in the Smelter, as defined in the Curtailment Agreement, whether by exercise of its rights and remedies as a secured party or otherwise, the Administrative Agent, or any designee thereof, shall so notify the BPA. In that event, the BPA acknowledges and consents that the Administrative Agent or any designee thereof shall (A) be entitled to exercise any and all rights of the Borrower and perform all obligations of the Borrower under the Curtailment Agreement,

and (B) have the Borrower's full right and power to enforce against the BPA all obligations of the BPA under the Curtailment Agreement and otherwise to exercise all remedies thereunder and to make all demands and give all notices and make all requests required or permitted to be made by the Borrower under the Curtailment Agreement. In the event that the Administrative Agent or its designee assumes the rights described in (A) and (B) above, the Administrative Agent or its designee acknowledges and agrees that the BPA shall be entitled to exercise any rights to enforce against the Administrative Agent or its designee all obligations of the Borrower under the Curtailment Agreement and otherwise to exercise all remedies under the Curtailment Agreement against the Administrative Agent or its designee.

(6) Payments under Curtailment Agreement. The BPA hereby (i) acknowledges and consents to the assignment by the Borrower to the Administrative Agent, for the benefit of the Lenders, of that portion of the moneys due or to become due to the Borrower under the Curtailment Agreement set forth in Schedule A hereto and (ii) agrees that any and all payments to be made by the BPA to the Administrative Agent pursuant to such assignment shall be made in available funds and in lawful money of the United States, directly to the account set forth in Schedule A hereto.

(7) Disputes. Any contract dispute or contract issue arising under this Consent shall be resolved in accordance with the provisions of Section 14 of the Curtailment Agreement, which provisions and any related definitions are hereby incorporated by reference as if set forth in full herein. For purposes of this Consent, each reference to the Company contained in the provisions of Section 14 of the Curtailment Agreement shall be deemed to refer to the Administrative Agent and each reference to a Party or Parties shall be deemed to refer to the BPA and/or the Administrative Agent.

Very truly yours,

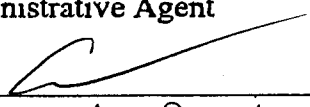
BONNEVILLE POWER ADMINISTRATION

By: Mark E. Miller

Name: Mark E. Miller

Title: Account Executive

AGREED AND ACKNOWLEDGED:
ABLECO FINANCE LLC
As Administrative Agent

By: 
Its: Senior Vice President

**Schedule A
to Consent**

<u>Date</u>	<u>Amount</u>
March 20, 2001	\$9,102,500
April 20, 2001	\$16,254,880
May 21, 2001	\$18,671,547
June 20, 2001	\$17,671,547
July 20, 2001	\$18,671,547
August 20, 2001	\$18,671,547
September 20, 2001	\$17,671,547
October 22, 2001	\$17,321,547
November 20, 2001	\$10,035,833
December 20, 2001	\$9,035,833
January 21, 2002	\$9,935,833
February 20, 2002	\$4,061,392
TOTAL	\$167,105,553

Bank Account Wire Transfer Instructions:

BBK: U.S. Bank National Association, Minneapolis, MN, ABA #091-000-022

BNF: U.S. Bank Trust NA, A/C #1801-2116-7365

OBI: FFC U.S. Bank Trust NE Closing, A/C #47300415

For ABLECO FINANCE LLC, Funding Agent, A/C #77090793

ASSIGNMENT OF MONEYS DUE OR TO BECOME DUE

THIS ASSIGNMENT OF MONEYS DUE OR TO BECOME DUE (this "Assignment") is entered into as of the 21st day of February, 2001, among **LONGVIEW ALUMINUM, LLC**, a Delaware limited liability company (the "Assignor"), with its principal office located at 4900 First Avenue, McCook, Illinois, 60525-3294, and **ABLECO FINANCE LLC**, a Delaware limited liability company (the "Assignee"), with a place of business at 450 Park Avenue, 28th Floor, New York, New York 10022, as administrative agent and collateral agent for certain financing institutions (such financing institutions, together with their respective successors and assigns, each a "Lender" and collectively, the "Lenders").

WITNESSETH:

WHEREAS, the Lenders have agreed to provide financing of up to \$155,000,000 to finance the acquisition and/or lease from Reynolds Metals Company, a Delaware corporation, of substantially all of the assets comprising the Longview primary aluminum reduction plant located on the Columbia River in Longview, Washington (the "Facility") and certain contractual rights and obligations related thereto (such acquisition and/or lease, the "Acquisition") and to pay certain fees and expenses relating to the Acquisition and the financing thereof, pursuant to the Loan Agreement by and between the Assignor, the Assignee, the Funding Agent named therein, and the Lenders, dated as of February 26, 2001, as such agreement may be modified, amended, extended, restated or renewed from time to time (the "Loan Agreement");

WHEREAS, it is a condition of the Loan Agreement and of the financing provided by the Lenders to the Borrower thereunder, that the Assignor assign to the Assignee, for the benefit of the Lenders, all of the Assignor's right, title and interest in and to certain moneys due and moneys to become due to the Assignor by, under or pursuant to the terms of the Curtailment Agreement dated February 21, 2001, between the Assignor and the United States of America, Department of Energy, acting by and through the Bonneville Power Administration (the "Government"), Contract Number: 01PB-10786, as such contract may be amended or otherwise modified from time to time (herein called the "Subject Contract"); and

WHEREAS, the Assignor has agreed to assign to the Assignee, for the benefit of the Lenders, all of its right, title and interest in and to certain moneys due and moneys to become due under the Subject Contract to the Assignor from the Government, all in conformity with the Assignment of Claims Act of 1940, as amended, 31 U.S.C. §3727, 41 U.S.C. §15 (the "Act").

NOW, THEREFORE:

The Assignor does hereby assign, transfer, grant, convey and confirm unto the Assignee, for the benefit of the Lenders, all of its right, title and interest in and to the certain moneys due and moneys to become due to the Assignor from the Government under the Subject Contract (all such assigned moneys due and moneys to become due being set forth in Schedule I hereto and herein collectively described as the "Assigned Moneys") to have, use and to hold the Assigned Moneys and all proceeds thereof unto the Assignee, for the benefit of the Lenders, and its legal successors in interest to its and their proper use and to exercise the same rights with

respect thereto as the Assignor holds. All such Assigned Moneys shall be paid to the account specified in Schedule II hereto.

The obligations of the Assignor to the Assignee and the Lenders are the payment and performance of all Obligations, as that term is defined in the Loan Agreement, and any other collateral and supporting documents executed in conformity therewith (collectively, the "Loan Documents").

The Assignor hereby warrants and represents to the Assignee that:

- (a) It is the sole owner of the entire right, title and interest in and to the Assigned Moneys coming due under the Subject Contract, free and clear of any other assignments and of all liens, security interests and encumbrances of every kind and nature;
- (b) It has full power and authority to enter into this Assignment;
- (c) It has not granted and will not grant any other assignment, under the provisions of the Act or otherwise, of the Assigned Moneys, or any right relating thereto of any kind, either oral or written, to any other person;
- (d) The Subject Contract is described by the correct Contract Number in the recitals hereto. The Assignor will maintain the Subject Contract in full force and effect until expiration or termination by the Government, except as it is prevented from so doing by law or by judgment of any court or competent jurisdiction;
- (e) Except as provided in the Act, none of the Assigned Moneys under the Subject Contract is subject to any prohibition or restriction against assignment to the Assignee and the Subject Contract does not contain any provision forbidding an assignment of moneys due or to become due under the Subject Contract;
- (f) Monies loaned by the Lenders will be used to pay the purchase price for the Acquisition and the other fees, costs and expenses incurred in connection with the Acquisition and the financing thereof, and each such use of proceeds constitutes Qualified Expenditures, as such term is defined in the Subject Contract.

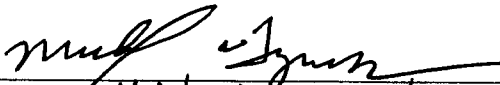
The Assignee shall have, in addition to all other rights against the Subject Contract provided herein, the rights and remedies of a secured party under the Uniform Commercial Code in effect in the State of New York. The Assignee's rights and remedies under this Assignment will be cumulative and not exclusive of any other right or remedy which the Assignee may have.

This Assignment may be executed in counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

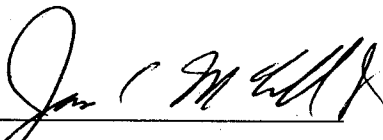
New York. This Assignment shall be construed and enforced under the laws of the State of

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their respective officers or other representatives thereunto duly authorized, as of the date first above written.

LONGVIEW ALUMINUM, LLC, as Assignor

By: 
Name: Michael Lynch
Title: Chairman

ATTEST:


Name: James McCall
Title: Secretary
Asst.

ABLECO FINANCE LLC, as Administrative Agent
and as Assignee

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their respective officers or other representatives thereunto duly authorized, as of the date first above written.

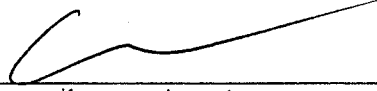
LONGVIEW ALUMINUM, LLC, as Assignor

By: _____
Name: _____
Title: _____

ATTEST:

Name: _____
Title: Secretary

ABLECO FINANCE LLC, as Administrative Agent
and as Assignee

By:  _____
Name: Kevin Genda
Title: Senior Vice President

SCHEDULE I

SCHEDULE OF ASSIGNED PAYMENTS

<u>Date</u>	<u>Amount</u>
March 20, 2001	\$9,102,500
April 20, 2001	\$16,254,880
May 20, 2001	\$18,671,547
June 20, 2001	\$17,671,547
July 20, 2001	\$18,671,547
August 20, 2001	\$18,671,547
September 20, 2001	\$17,671,547
October 20, 2001	\$17,321,547
November 20, 2001	\$10,035,833
December 20, 2001	\$9,035,833
January 20, 2002	\$9,935,833
February 20, 2002	\$4,061,392
TOTAL	\$167,105,553

SCHEDULE II

ASSIGNEE'S ACCOUNT

The following are Wire Transfer instructions for U.S. Bank Trust, New York:

Via Fed Wire:

BBK= U.S. Bank National Association, Minneapolis, MN. ABA #091 000 022

BNF= U.S. Bank Trust NA A/C 1801 2116 7365

OBI= FFC U.S. Bank Trust NE Closing A/C # 47300415

For ABLECO FINANCE LLC Funding Agent A/C # 77090793

LONGVIEW ALUMINUM, LLC

CERTIFICATE OF SECRETARY

Pursuant to that certain Loan Agreement (the "Loan Agreement") dated as of February 26, 2001 among LONGVIEW ALUMINUM, LLC, an Delaware limited liability company (the "Company"), certain Initial Lenders, ABLECO FINANCE LLC, as Administrative Agent, and Funding Agent, the undersigned does hereby certify that:

1. I, John L. Kolleng, am the duly elected, qualified and acting Secretary of the Company, and as such I am qualified and authorized to certify to the matters contained herein.
2. That the documents referenced herein are in full force and effect and that no party thereto is in default thereunder.
3. Attached hereto as Exhibit A is a true and correct copy of the Assignment of Moneys Due or to Become Due, dated February 26 2001, executed by the Company, as Assignor and Abelco Finance LLC, as Administrative Agent and Assignee (the "Assignment").
4. Attached hereto as Exhibit B a true and correct copy of the Joint Unanimous Written Consent of the Member and the Board of Managers of the Company approving the Assignment, dated February 26, 2001.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Secretary of the
Company this 26th day of February, 2001.

Longview Aluminum LLC

By: _____


John L. Kolleng

#20070842

Exhibit A

Instrument of Assignment

NOTICE OF ASSIGNMENT

To: Mark E. Miller
Contracting Officer
Bonneville Power Administration
Routing PT-5
905 NE 11th Avenue
Portland, OR 97232

Date: February 26, 2001
Contract No: 01PB-10786
Contract Date: February 21, 2001
Issued By: Bonneville Power Administration
Issued To: Longview Aluminum, LLC

Mike Caldwell
Disbursing Officer
Bonneville Power Administration
Routing DSRD-2
905 NE 11th Avenue
Portland, OR 97232

Reference is made to Contract No. 01PB-10786 dated February 21, 2001 (as amended or otherwise modified from time to time, the "Contract") entered into between Longview Aluminum, LLC, a Delaware limited liability company having its principal office at 4900 First Avenue, McCook, Illinois 60525-3294 ("Longview"), and the United States of America, Department of Energy, acting by and through the Bonneville Power Administration, having an office at 905 NE. 11th Avenue, Portland Oregon 97232 ("BPA"), for the curtailment of the BPA's contractual obligation to provide power to Longview during the period from the Effective Date of the Contract (as such term is defined in the Contract) through June 30, 2002.

Certain moneys due or to become due under the Contract have been assigned to the undersigned, as Administrative Agent for certain lenders, under the provisions of the Assignment of Claims Act of 1940, as amended, 31 U.S.C. 3727, 41 U.S.C. 15.

A true copy of the instrument of assignment, which is entitled Assignment of Moneys Due Or To Become Due, executed by Longview and the undersigned Assignee on February 26, 2001 (the "Instrument of Assignment"), is attached to this Notice of Assignment.

Certain payments due or to become due under the Contract should be made to the undersigned Assignee in the amounts specified in Schedule I to the attached Instrument of Assignment and to the account specified in Schedule II to the attached Instrument of Assignment.

Please return to the undersigned the enclosed copies of this Notice of Assignment with appropriate notations showing the date and hour of receipt, and signed by the person acknowledging receipt on behalf of the BPA.

Very truly yours,

ABLECO FINANCE LLC, as
Administrative Agent and as Assignee

By: 

Name: Kevin Genda
Title: Senior Vice President
Address: 450 Park Avenue, 28th Floor
New York, NY 10022

ACKNOWLEDGEMENT

Receipt is acknowledged of the above Notice of Assignment and of a copy of the Instrument of Assignment. They were received at 6:00 (a.m.) (p.m.) on February 27, 2001.

By: Mark E. Miller

Name: Mark E. Miller

Title: Contracting Officer

On behalf of:

United States of America

Department of Energy

Bonneville Power Administration

ACKNOWLEDGEMENT

Receipt is acknowledged of the above Notice of Assignment and of a copy of the Instrument of Assignment. They were received at 6:00 (a.m.) (p.m.) on February 27, 2001.

By: Mike Caldwell

Name: Mike Caldwell

Title: Disbursing Officer

On behalf of:

United States of America
Department of Energy
Bonneville Power Administration

Contract No. 02PB-11095

CONFIDENTIALITY AGREEMENT

executed by the

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

acting by and through the

BONNEVILLE POWER ADMINISTRATION

and

LONGVIEW ALUMINUM, LLC

This CONFIDENTIALITY AGREEMENT, executed January 29th 2002, by the UNITED STATES OF AMERICA ("Government"), Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION ("Bonneville"), and LONGVIEW ALUMINUM, LLC (the "Company"), a corporation incorporated under the laws of the State of Delaware (the "Agreement").

WITNESSETH:

WHEREAS, Bonneville and the Company voluntarily entered into the Curtailment Agreement, Contract No. 01PB-10786 (the "Curtailment Agreement"); and

WHEREAS, the Curtailment Agreement provides that Bonneville has the right to audit the Company Proceeds Accounts (as such term is defined in the Curtailment Agreement) and the Company agrees that it will provide Bonneville with any other documentation requested by Bonneville that Bonneville determines is necessary to audit any Company Proceeds Accounts or to otherwise confirm that the proceeds the Company receives from Bonneville pursuant to the Curtailment Agreement are being, or were, spent for purposes described in the Curtailment Agreement; and

WHEREAS, the Company will provide Bonneville with commercial and financial information of the Company that concerns and relates to either the income, profit, losses,

*mmv
1/29/02*

expenditures and the financial condition of the Company (the "Commercial and Financial Information") relevant to Bonneville conducting such audit or otherwise confirming that proceeds were used in accordance with the terms of the Curtailment Agreement; and

WHEREAS, the Company asserts that the Commercial and Financial Information is confidential; and

WHEREAS, the Company asserts that the disclosure of its confidential Commercial and Financial Information or other Confidential Information (as hereinafter defined) would cause substantial harm to the competitive position of the Company; and

WHEREAS, Bonneville recognizes that the Company may wish to prevent the disclosure of its Commercial and Financial Information and other Confidential Information by Bonneville to third parties.

NOW, THEREFORE, the parties agree as follows:

1. **TERM**

This Agreement shall be effective when executed by representatives of Bonneville and the Company. Obligations and liabilities incurred under this Agreement shall be preserved until satisfied.

2. **DEFINITION AND DESIGNATION OF CONFIDENTIAL INFORMATION**

"Confidential Information" shall include the Company's Commercial and Financial Information and any other non-public documents and other information expressly designated by the Company as confidential. Information already available to or in the possession of Bonneville is not Confidential Information. "Confidential Information" shall also include discussions, presentations, meetings or telephone conferences between or among the parties or their respective agents, representatives or contractors regarding such Confidential Information and any notes, memoranda, reports or other documents that incorporate or reference the Confidential Information described above, regardless of whether those documents are created by Bonneville or the Company. The Company and Bonneville shall mark each

*mm
1/29/02*

document containing Confidential Information with a legend that suitably gives notice of the existence of Confidential Information within the document.

3. **MAINTENANCE OF CONFIDENTIALITY**

Any copies of documents provided by the Company to Bonneville, and any Confidential Information contained in documents or records that are created by Bonneville, shall be subject to this Confidentiality Agreement. All documents provided by the Company to Bonneville shall be returned to the Company as soon as possible.

Bonneville shall not disclose Confidential Information to any third party unless permitted to do so by this Agreement. Bonneville shall treat Confidential Information received from the Company with reasonable care that is at least the same degree of care that it regularly employs to safeguard its own Confidential Information from an unauthorized use or disclosure.

4. **PERMISSIBLE USE**

Bonneville may disclose Confidential Information described above only to its officers, directors, executives, other employees or contractors who have been advised of the existence and contents of this Agreement and any cover letters which accompany the submission of any documents by the Company to Bonneville. Bonneville shall not disclose any Confidential Information to any of its contractors unless Bonneville first imposes on each such contractor, through a legally binding and enforceable confidentiality agreement entered into between Bonneville and such contractor, the same duties of confidentiality and non-disclosure that apply to Bonneville under this Agreement, applicable exemptions to disclosure under the Freedom of Information Act, 5 U.S.C. § 552 *et seq.*, and the Trade Secrets Act, 18 U.S.C. § 1905. Confidential Information provided to Bonneville by the Company shall be used by Bonneville, its officers, directors, executives, other employees or contractors only for the performance of official government duties, and only to the extent necessary for purposes of administering the Curtailment Agreement.

5. **PERMISSIBLE DISCLOSURE PURSUANT TO APPLICABLE LAW**

If Bonneville receives a request made pursuant to applicable law to disclose to a third party Confidential Information, it shall promptly advise the Company in sufficient time prior to Bonneville making any release or disclosure to such requesting third party so as to allow the Company to: (a) determine whether, in the Company's view, disclosure is not permitted either under applicable law and/or this Agreement; (b) advise Bonneville of the Company's determination; and (c) commence such legal action as the Company may deem necessary to preclude disclosure if Bonneville determines that applicable law requires the disclosure of the Confidential Information. Bonneville may only disclose such Confidential Information to a third party (other than a Bonneville contractor pursuant to Section 4 above) only pursuant to: (i) this Agreement, and (ii) applicable federal law. If Bonneville complies with the obligations set forth in this section 5, then Bonneville shall not be liable to the Company for having made a disclosure. Nothing in this Agreement is intended by the parties either to foreclose or to require the application of any exemption from disclosure that might be available pursuant to the Freedom of Information Act, 5 U.S.C. §§ 552, et seq.

6. **RETURN OR DESTRUCTION OF CONFIDENTIAL INFORMATION**

All documents and information made available to Bonneville by the Company shall remain the property of the Company. When Bonneville is finished reviewing the documents for purposes of administering the Curtailment Agreement, if the Company so requests, Bonneville shall promptly return or destroy such documents.

7. **REMEDIES**

Bonneville acknowledges it is the Company's position that disclosure to third parties of Confidential Information will likely result in substantial harm to the competitive position of the Company. Bonneville agrees that for any unauthorized disclosure by Bonneville, in addition to damages and other remedies provided by law, the Company shall be entitled to any remedy available at law or equity, including, without limitation, preliminary or permanent injunctive relief.

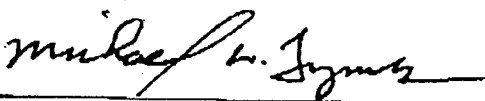
8. AMENDMENT

The provisions of this Agreement may be amended only by written agreement of the parties.

9. INCORPORATION OF PROVISIONS

The provisions of Articles or Sections 13, 15(b), 15(d), 15(f), 15(g), 15(h), 17, and 18 of the Curtailment Agreement are hereby incorporated by reference as if set forth in full herein.

LONGVIEW ALUMINUM, LLC

By 
Chairman

Name Michael Lynch
(Print/Type)

Date 1/29/02

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By 
Account Executive

Name Mark E. Miller
(Print/Type)

Date 1/25/02

(PBLAN-PTS-W\NPS\PM\CT\11095.DOC) 1/25/02

AUTHENTICATED

POWER SALES AGREEMENT
between the
UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
acting by and through the
BONNEVILLE POWER ADMINISTRATION
and
REYNOLDS METALS COMPANY

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This POWER SALES AGREEMENT, executed September 20, 1995, by the UNITED STATES OF AMERICA (Government), Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA or Bonneville), and REYNOLDS METALS COMPANY (Company), a corporation incorporated under the laws of the State of ~~Virginia~~ Delaware. BPA and the Company are hereinafter sometimes referred to individually as "Party" and collectively as "Parties."

W I T N E S S E T H :

WHEREAS pursuant to section 5(d) of the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), BPA is authorized to sell power to the Company; and

WHEREAS on August 31, 1981, BPA and the Company entered into Contract No. DE-MS79-81BP-90356, hereinafter referred to as "Prior Contract"; and

WHEREAS this Agreement provides for the termination of the Prior Contract; and

WHEREAS BPA desires to sell, and the Company desires to purchase, Firm Power pursuant to the terms and conditions of this Agreement; and

WHEREAS the Company and BPA have entered into an Integration of Resources transmission agreement, Contract No. 95MS-94767 (IR Transmission Agreement), which provides for transmission of non-Federal power; and

WHEREAS BPA is authorized pursuant to law to market electric power and energy generated at various Federal hydroelectric projects in the Pacific Northwest or acquired from other resources, to construct and operate transmission facilities, to provide transmission and other services, and to enter into agreements to carry out such authority;

NOW, THEREFORE, the Parties hereto agree as follows:

1. EFFECTIVE DATE AND TERM

(a) Effective Date

This Agreement shall become effective on the date that it is executed by BPA.

(b) Term

This Agreement shall continue in effect until 2400 hours on September 30, 2001, unless terminated earlier as provided herein. All obligations incurred hereunder shall be preserved until satisfied.

2. DELIVERIES OF FIRM POWER BETWEEN THE EFFECTIVE DATE AND COMMENCEMENT DATE

During the period between the Effective Date and the Commencement Date, the Prior Contract shall govern the sale of Firm Power by BPA to the Company; **provided, however,** that, as of the Effective Date, the Company shall have no obligation under section 2(b)(1) of the Prior Contract to reimburse BPA for any

costs, unrecoverable or otherwise; and **provided further**, that section 2(b)(2) limitations on the Company's right to purchase electric power shall be of no further application and shall terminate.

3. COMMENCEMENT OF DELIVERIES OF FIRM POWER

Deliveries of Firm Power shall commence on the later of October 1, 1996, or the date that FERC provides interim approval of a Rate Schedule that satisfies the Rate Test; **provided, however**, that the Company may waive in writing its right to terminate this Agreement under section 5(a)(2)(A) and thereupon deliveries of Firm Power shall commence in accordance with the provisions of this Agreement..

4. TERMINATION OF PRIOR CONTRACT AND OTHER CONTRACTS

- (a) Effective on the Commencement Date, the Prior Contract shall terminate, if it has not previously been terminated, and all obligations of the Parties under the Prior Contract shall terminate, except for the Company's liability to pay for power delivered under the Prior Contract prior to the Commencement Date. If the Commencement Date has not occurred by October 1, 1996, then, in addition to any other right to terminate, the Company may terminate the Prior Contract upon 7 days' written notice to BPA. Such notice may be given any time after October 1, 1996, and prior to the Commencement Date.
- (b) The Company shall not terminate the Prior Contract in part to reduce the contract demand under the Prior Contract to an amount which is less than the annual amount of HLH and LLH Energy in megawatthours for Contract Year 1996-1997 (as specified in section 9(b) of this Agreement), divided by 8,760 hours, effective during the period April 1, 1996, through September 30, 1996.
- (c) In addition to termination of the Prior Contract pursuant to section 4(a), the following contract(s) shall terminate effective on the Commencement Date:

- Contract No. DE-MS79-78BP90034 (1978 IRE Agreement)
- Contract No. DE-MS79-81BP90239 (Protected Storage Agreement)
- Contract No. DE-MS79-94BP94443 (Interim IRE Agreement)

All liabilities accrued by either Party under any agreement listed in this section 4(c) are preserved until satisfied.

5. TERMINATION OF THIS AGREEMENT

(a) Excused Termination

The Company shall have the right to terminate this Agreement, subject to the following terms:

(1) Conditions Over Which BPA Has Control That Allow for Excused Termination

The Company may terminate this Agreement upon 7 days' notice to BPA if any one of the following events occur:

- (A) if BPA issues a final Record of Decision in the 1996 Rate Case that proposes a Rate Schedule which is applicable to this Agreement and which fails to satisfy the Rate Test;
- (B) if by September 1, 1996, BPA has failed to file a Rate Schedule with FERC that is applicable to this Agreement and satisfies the Rate Test;
- (C) if, within 180 days of the remand of the Rate Schedule by FERC or a court to BPA, BPA does not propose revised rates, including a Rate Schedule that satisfies the Rate Test; or if

FERC fails to approve such Rate Schedule; or such Rate Schedule is subsequently disapproved by a court;

- (D) if at any time, BPA acts or fails to act so as to entitle the Company to terminate pursuant to section 22 of this Agreement; or
- (E) if after breach by BPA, as determined under section 22 or by a Federal Court, BPA has not cured the breach within 30 days following such determination.

(2) **Conditions Over Which BPA Does Not Have Control That Allow for Excused Termination**

The Company may terminate this Agreement upon 7 days' notice to BPA if either of the following events occur:

- (A) if by September 30, 1996, FERC has failed to approve, on an interim or final basis, a Rate Schedule that is applicable to this Agreement and satisfies the Rate Test; or
- (B) if any term, covenant, or condition of this Agreement or the Rate Schedule or the performance of such term, covenant, or condition, is held to be invalid or unenforceable, or enjoined by an order of a court, and such order is not stayed, pending any appeals; **provided, however,** that if only one or both of:
 - (i) section 18(b)(2)(B) of this Agreement, and (ii) a contract entered into pursuant to section 18(b)(2)(B) of this Agreement, is held to be invalid or unenforceable, then such order shall not permit the Company to terminate this Agreement under this section 5(a)(2).

(b) Obligations Upon Expiration or Termination

(1) Obligations Upon Expiration or Termination for Any Reason

Upon expiration of this Agreement at 2400 hours on September 30, 2001, or upon termination of this Agreement pursuant to section 5(a), or for any other reason, the following terms and conditions shall apply:

- (A) BPA shall make the BPA substation and/or transmission facilities whose primary purpose is to serve the Company's load available for use of the Company for deliveries of power from BPA, or from third parties under BPA's then-current transmission tariffs.

The Company will reimburse BPA pursuant to the terms and conditions of Exhibit F for the unrecoverable cost, if any, in BPA substation or transmission facilities whose primary purpose is to serve the Company's load during the life of this Agreement, to the extent that BPA cannot mitigate such cost. Continued transmission service at the same level of service as purchases hereunder through and at such facilities under BPA's then-current transmission tariffs is mitigation for unrecoverable cost under this Agreement.

If BPA does not have another use at the site for such facilities to serve other BPA customers, and the Company makes an offer to purchase such facilities for the unamortized investment in the facilities as determined pursuant to Exhibit F plus the appraised value of the property on which the facilities are located, and BPA rejects the offer, then the Company shall not be required to reimburse BPA for any unrecoverable costs pursuant to Exhibit F.

(B) If the Company is served by transfer over third-party facilities, the Company shall pay any amount BPA is obligated to pay the third party under the transfer arrangement, pursuant to the terms and conditions of Exhibit F.

(C) If BPA proposes new investments in substation or transmission facilities whose primary purpose is to serve the Company's load, and the Company consents to such investment, Exhibit F will be amended to include such investments. The Company's consent to such investments shall not be unreasonably withheld.

(2) **Obligations After Expiration or Termination Pursuant to Section 5(a)(1)**

After expiration of this Agreement, or if the Company terminates this Agreement pursuant to section 5(a)(1), then BPA shall not charge, except to the extent specified in section 5(b)(1), the Company or a third party doing business with the Company any amount, charge, or fee of any nature whatever based on the purchases made by the Company under this or any prior power purchase agreements between the Company and BPA or based on the termination or reduction of the amount of power purchased by the Company under this Agreement or any such prior agreements. Nothing in this Agreement is intended to imply that the Company would have any obligation to pay such charges under any circumstances or to pay BPA any amounts except as expressly provided in this Agreement. This provision is a material term and essential to the Company having entered into this Agreement.

6. DEFINITIONS

- (a) "Agreement" means this Power Sales Agreement, Contract No. 95MS-94865.
- (b) "Commencement Date" means the date that deliveries commence under this Agreement.
- (c) "Contract Demand" means the maximum integrated hourly rate of delivery that the Company may request under this Agreement and is equal to 667.98 megawatts. The Contract Demand shall not be increased except through:
 - (1) a process conducted pursuant to section 5(d)(3) of the Northwest Power Act that provides for BPA to acquire increased reserves from its direct service industrial companies; or
 - (2) a technological allowance which BPA shall grant upon the Company's demonstration to BPA that such allowance meets the criteria for a technological allowance under the Prior Contract.
- (d) "Contract Year" means the period that begins on October 1 and ends on the following September 30.
- (e) "Control Area" or "Load Control Area" means the electrical (not necessarily geographical) area within which a controlling utility operating under all North American Electric Reliability Council standards has the responsibility to adjust its generation on an instantaneous basis to match internal load and power flow across interchange boundaries to other Control Areas. A utility operating a Control Area is called a "controlling utility."

- (f) "Demand" means the maximum integrated hourly rate of delivery during each month of each Contract Year for Firm Power deliveries under this Agreement, as specified in Exhibit D.
- (g) "Effective Date" means the date that this Agreement is signed by BPA.
- (h) "Event" means the period during which BPA restricts service to the Company under this Agreement to obtain Operating Reserves or Stability Reserves. The Event shall commence with the reduction in deliveries to the Company under this Agreement due to a BPA request for Operating Reserves or a transfer trip or signal that initiates Stability Reserves restriction. Unless reinstated as provided herein, the Event shall end when BPA's dispatcher notifies the Company that the load restricted for such reserves can be restored to service. Notwithstanding the foregoing, the Event will end (subject to reinstatement as provided herein) when system conditions occur that would result in tripping the Company for undervoltage or underfrequency load shedding. Any BPA restriction or series of BPA restrictions that make up an SR Event shall be treated as part of a single Event.

After an Event has ended, the Event shall be reinstated and continue as follows:

- (1) if the Event Magnitude was less than $(\text{Federal Load}) \times (15 \text{ minutes})$, then the Event shall be reinstated if BPA requests or obtains Reserves from the Company again within 10 hours;
- (2) if the Event Magnitude was equal to or greater than $(\text{Federal Load}) \times (15 \text{ minutes})$, then the Event shall be reinstated if BPA requests or obtains Reserves from the Company again within 21 hours;

- (3) if the Event Magnitude was equal to or greater than (Federal Load) \times (30 minutes), then the Event shall be reinstated if BPA requests or obtains Reserves again within 42 hours;
 - (4) if the Event Magnitude was equal to or greater than (Federal Load) \times (60 minutes), then the Event shall be reinstated if BPA requests Reserves again within 84 hours; and
 - (5) if the Event Magnitude was equal to or greater than (Federal Load) \times (90 minutes), then the Event shall be reinstated if BPA requests or obtains Reserves again within 126 hours.
-
- (i) "Event Duration" means the total cumulative Event Minutes of the Event.
 - (j) "Event Magnitude" means a value calculated for each Event as the sum of: (Requested Operating Reserves \times Event Minutes associated with the use of Operating Reserves) + (Amount of Load Tripped for Stability Reserves \times duration of the SR Event in minutes) for each restriction during the Event. The Event Magnitude shall not include loads restricted pursuant to operating reserves and stability reserve rights that BPA has under other contracts.
 - (k) "Event Magnitude Limit" means the Federal Load multiplied by 90 minutes.
 - (l) "Event Minute(s)" means the minute(s) of restriction (or any portion thereof) during an Event.
 - (m) "Excess Firm Energy" means Firm Energy that would have been delivered to the Company for service to its expected Plant Load but is excess due to a reduction in the Company's actual Plant Load.

- (n) "Federal Load" means an hourly amount of energy equal to the lesser of
(1) 50 percent of the Process Load operating immediately prior to the Event,
or (2) 50 percent of the Firm Energy either scheduled to the Company,
remarketed to other Qualified Purchasers, used by BPA, or any combination
thereof.
- (o) "FERC" means the Federal Energy Regulatory Commission, or its successor.
- (p) "Firm Energy" means the Federal energy that the Company has agreed to
purchase from BPA under this Agreement.
- (q) "Firm Power" means the monthly amounts of Demand and Firm Energy
(HLH and LLH) purchased by the Company under this Agreement.
- (r) "Heavy Load Hours" or "HLH" means those hours that begin at 6 a.m. and
end at 10 p.m., Monday through Saturday.
- (s) "Light Load Hours" or "LLH" means all hours that are not HLH.
- (t) "Material Plant Damage" means the inability of the Company to resume
industrial production at all or any portion of its plant because of damage to
plant production facilities resulting from a restriction; for example, the
inability to resume electrolysis in one or more pots without rebuilding or
substantially repairing such pot(s).
- (u) "Non-Federal Service" means, for the purposes of section 18(a) of this
Agreement, the monthly amounts of demand, HLH energy and LLH energy
that the Company chooses to acquire from non-Federal entities to serve a
portion of its Plant Load during the term of this Agreement. The Company
agrees that such amounts must be supplied to the Plant Load. The Company
may purchase additional amounts of non-Federal energy that will not be
used in calculating the amount of curtailed energy

- (v) "Occurrence" means a system condition that results in the need for Reserves.
- (w) "Operating Reserves" means nonspinning reserves, provided by the Company under this Agreement, that are necessary to enable BPA either to reestablish its load/resource balance after loss of generation or transmission facilities, or to meet any of its other existing nonspinning operating reserve obligations. Operating Reserves provided under this Agreement shall not include, without limitation: (1) Stability Reserves provided by the Company in this Agreement; (2) operating reserves provided by the Company in any other contract; and (3) any other reserves that BPA has acquired under other arrangements.
- (x) "Plant Load" means the total electrical energy load at Company facilities eligible for BPA service during any given time period whether the Company has chosen to serve its load with BPA power or non-Federal power.
- (y) "Process Load" means, for an aluminum facility or a chlor-alkali facility, the electrolytic load.
- (z) "Qualified Purchaser" shall mean a utility or entity which: (1) is capable of performing the financial obligations undertaken for a sale or for an option to buy; (2) meets BPA's standards of service, including having an available transmission path; and (3) if required by State or Federal law, the purchaser has received all necessary approvals from appropriate regulatory bodies to conduct the transaction with BPA.
- (aa) "Rate Schedule" means the Industrial Firm Power Rate Schedule (IP-96.5), the Point-to-Point Transmission Rate Schedule, exclusive of the Delivery Charge therein (PTP-96.5), Ancillary Products and Services Rate Schedule (APS-96), a rate schedule that includes the fixed curtailment fee for the option specified in section 18(a), and the General Rate Schedule Provisions

established by BPA, and applicable to sales under this Agreement. When such Rate Schedule has received interim or final approval by FERC, then it shall be attached hereto as Exhibit C.

- (bb) "Rate Test" means: (1) the calculation of whether the total average price in mills per kilowatthour, using the Rate Schedule, to determine if such total average price is less than or equal to the price specified in section 11(a) of this Agreement; (2) the determination of whether the fixed curtailment fee, for purposes of section 18(a) of this Agreement, is less than or equal to the amount specified in section 11(b); and (3) the determination of whether the use-of-facilities charge, as may be revised pursuant to section 8(b)(2) and Exhibit I, is less than or equal to the amount determined pursuant to section 11(c). The Rate Test is further described in section 11 of this Agreement.
- (cc) "Requested Operating Reserves" means the amount of Operating Reserves, pursuant to section 17, that the BPA dispatcher requests the Company to trip for purposes of providing Operating Reserves.
- (dd) "Reserves" means the Stability Reserves and Operating Reserves provided by the Company under this Agreement.
- (ee) "SR Event" means the period during which BPA implements a Stability Reserve restriction. An SR Event shall be an Event for all purposes. The beginning of the SR Event shall be identified by a transfer trip or other signal from BPA to the Company restricting delivery of energy under this Agreement. Unless reinstated as provided herein, the end of the SR Event shall be identified by the BPA dispatcher's notification to Company that delivery of all energy to which Company is entitled under this Agreement can be restored. Notwithstanding the foregoing, the Event will end (subject to reinstatement as provided herein) when system conditions occur that result in tripping the Company for undervoltage or underfrequency load

shedding. If such undervoltage or underfrequency load shedding signal is received by the Company prior to Event Minute 3 of the SR Event, then the restriction shall be deemed an event of Force Majeure until service is restored.

After an SR Event has ended, the SR Event shall be reinstated and continue as follows:

- (1) if the SR Event duration was 5 Event Minutes or less, then the SR Event shall be reinstated if BPA restricts deliveries to Company pursuant to its Stability Reserve rights within 2 hours or less of the last SR Event Minute;
 - (2) if the SR Event duration was more than 5 Event Minutes but not more than 15 Event Minutes, then the SR Event shall be reinstated if BPA restricts deliveries to Company pursuant to its Stability Reserve rights within 4 hours or less of the last SR Event Minute;
 - (3) if the SR Event duration was more than 15 SR Event Minutes but not more than 22 Event Minutes, then the SR Event shall be reinstated if BPA restricts deliveries to Company pursuant to its Stability Reserve rights within 6 hours or less of the last SR Event Minute; and
 - (4) if the SR Event duration was more than 22 Event Minutes, then the SR Event shall be reinstated if BPA restricts deliveries to Company pursuant to its Stability Reserve rights within 8 hours or less of the last SR Event Minute.
- (ff) "Stability Reserves" means those reserves, provided by the Company under this Agreement, that are necessary to ensure the stability of the Federal Columbia River Transmission System against losses of transmission facilities pursuant to the scheme(s) in Exhibit G or any additional scheme(s)

adopted pursuant to section 17 herein. Stability Reserves provided under this Agreement shall not include, without limitation: (1) stability reserves provided by the Customer in the General Transmission Agreement or in other agreements; (2) operating reserves or forced outage reserves that BPA has acquired under this Agreement or under other agreements; and (3) any other reserves that BPA has acquired under other arrangements.

(gg) "Take-or-Pay Obligation" means the obligation, as modified by section 14, of the Company to pay for the Firm Power purchased by the Company under this Agreement. On an annual basis, the amounts of HLH and LLH Firm Energy that the Company agrees to purchase from BPA is specified in section 9(b) of this Agreement. The monthly amounts of HLH and LLH Firm Energy shall be as specified in Exhibit D. The monthly Demand amounts, for the purposes of this Take-or-Pay Obligation, shall be the monthly Demand amounts specified in Exhibit D. If the calculation of the Take-or-Pay Obligation for a Contract Year for which Demands are not yet required to be specified under section 10(a) becomes relevant, then the Demands for such Contract Year shall be calculated by dividing the annual HLH Firm Energy, if any, for each such Contract Year, as specified in section 9(b), by the number of HLH in a Contract Year. Weekly, daily, and hourly amounts of HLH and LLH Firm Energy are the amounts submitted by the Company pursuant to section 10 of this Agreement.

7. EXHIBITS; INTERPRETATION

Exhibit A (General Contract Provisions), Exhibit B (Fees for Remarketing), Exhibit C (Rate Schedule), Exhibit D (Monthly Amounts of Firm Power), Exhibit E (Points of Delivery), Exhibit F (Unrecoverable Costs and Transfer Costs), Exhibit G (Stability Reserve Scheme(s)), Exhibit H (Arbitration Procedures), and Exhibit I (Use-of-Facilities Charge) are attached hereto and made a part of this Agreement. If there is a conflict between the body of this Agreement and any exhibit, then the body of this Agreement shall prevail. If there is a conflict between Exhibit C and any other exhibit, then all other exhibits shall prevail over Exhibit C.

8. CONTRACT REVISIONS AND WAIVERS

(a) Amendments and Exhibit Revisions

Except as otherwise expressly provided to the contrary in this Agreement, the provisions of the body of this Agreement may be amended only by the mutual written agreement of the Parties hereto subsequent to the date of execution of this Agreement.

(b) Exhibit Revisions

(1) Revision of Exhibits A through H

Except as otherwise expressly provided to the contrary in this Agreement, the provisions of Exhibits A through H may be revised only by the mutual written agreement of the Parties hereto subsequent to the date of execution of this Agreement.

(2) Revision of Exhibit I

Exhibit I may be revised by BPA in the same manner and under the same terms and conditions for revision of the use-of-facilities charge under the IR Transmission Agreement, as amended or replaced, except as limited by the terms and conditions of Exhibit I.

(c) Waivers

- (1) Failure by a Party to exercise any right, remedy, or option hereunder or delay in exercising such right, remedy, or option shall not operate as a waiver by such Party of its right to exercise any such right, remedy, or option prior to the time such right, remedy, or option expires by an express term of this Agreement; nor shall such failure or delay by such Party operate as a waiver of any right, remedy or**

option that may arise from a subsequent event under the relevant provisions of this Agreement.

- (2) The Parties may agree to waive any provision of this Agreement to address temporary problems or unforeseen circumstances. Any such waiver shall be in writing and shall clearly specify the period of time for which the waiver is in effect. The consent of the other Party to such a waiver shall not be unreasonably withheld. No Party shall claim that the granting of a waiver sets a binding precedent for future waivers, even if similar waivers are granted throughout the term of this Agreement.

9. PURCHASE AND SALE OF ANNUAL TAKE-OR-PAY FIRM ENERGY

(a) **Mutual Obligation**

BPA shall sell and deliver to the Company and the Company shall purchase from BPA, for service to its Plant Load, annual amounts of HLH and LLH Firm Energy on a take-or-pay basis, as specified in section 9(b).

(b) **Annual Amounts of Firm Energy**

The Company shall purchase, during each Contract Year, the following annual amounts of HLH and LLH Firm Energy:

PRIVILEGED & CONFIDENTIAL

Contract Year	Firm HLH Energy (megawatthours)	Firm LLH Energy (megawatthours)
1996-1997		
1997-1998		
1998-1999		
1999-2000		
2000-2001		

(c) **Company One-Time Option to Increase Take-or-Pay Obligation to Serve Additional Plant Load**

Proprietary Information on file with Contract Information.

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(d) **Minimum Demand for Transmission**

A Company may elect to specify a minimum level of Demand for transmission for any month for the remaining term of this Agreement at the time the Company makes its submission of monthly amounts of Firm Power. Any request to specify a minimum level of Demand for transmission made after February 1, 1996, shall be subject to available transmission capacity as described in section 10(a). The Company may assign any excess minimum Demand for transmission consistent with terms for Assignment of Transmission Service under BPA's Point-to-Point Transmission Service Tariff. The amount of minimum Demand for transmission as elected or assigned shall be specified in Exhibit D.

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10. MONTHLY, WEEKLY, DAILY, AND HOURLY AMOUNTS OF FIRM POWER

(a) **Monthly Amounts of Firm Power**

Not later than the February 1, immediately prior to October 1 of each Contract Year, the Company shall specify monthly amounts of Demand and HLH and LLH Firm Energy for such Contract Year. The total of the monthly amounts of HLH and LLH Firm Energy shall equal the annual amounts specified in section 9(b) for such Contract Year. The Company may set its Demand in each month in the 1996-1997 Contract Year at any level up to its Contract Demand. Any increase in amounts of Demand for a specific month in a later Contract Year above the greater of: (1) the amount of Demand for such month in the previous Contract Year; or (2) the minimum level of Demand for transmission specified in Exhibit D; is subject to BPA's determination of available transmission capacity. If additional generating resources integrated at points with transmission capacity available to the Company's points of delivery are available for BPA's use or purchase, then BPA shall determine that transmission capacity is available under this Agreement. BPA shall also treat as available any transmission capacity made available by the Company to BPA through a reduction in demand under any other transmission agreement with BPA. If BPA

determines that firm transmission capacity is not available for the Company's request, BPA will notify the Company within 60 days of the approved level of Demand. Each year, Exhibit D shall be revised to reflect the amounts specified by the Company, consistent with this section 10(a).

(b) **Weekly, Daily, and Hourly Amounts of Firm Power**

The Company shall either: (i) provide advance submittals of weekly, daily, and hourly amounts of Firm Energy and any Excess Firm Energy pursuant to section 10(b)(1), which will remain as submitted unless changed pursuant to section 10(b)(2); or (ii) provide such submittals pursuant to the terms of section 10(b)(2) only.

(1) **Advance Submittals of Weekly, Daily, and Hourly Amounts of Firm Energy**

The Company may submit weekly, daily, and hourly amounts in advance of, but not later than allowed under section 10(b)(2). Such advance submittals shall specify HLH and LLH amounts of Firm Energy to be delivered hereunder until the Company changes its submittal. The Company may change any advance submittal pursuant to section 10(b)(2). All advance submittals shall include a beginning and ending hour.

(2) **Submittals of Weekly, Daily, and Hourly Amounts of Firm Power**

(A) **Weekly Amounts of Firm Power**

At least 2 months prior to the delivery month, the Company shall provide BPA with its notice of weekly amounts of HLH and LLH Firm Energy for each month. The total of the Company's weekly amounts of HLH and LLH Firm Energy during a month shall be equal to the monthly amounts specified in Exhibit D for such month. For transition weeks

(weeks that include days from the prior month or days from a subsequent month), the Company shall identify the amounts of HLH and LLH Firm Energy associated with each monthly period. The Company may request a waiver to provide for changes in weekly amounts of HLH and LLH Firm Energy on less than 2 months' prior notice, if the request is due to temporary or unanticipated operational problems.

(B) Daily Amounts of Firm Power

No later than the Wednesday prior to the Sunday-through-Saturday weekly delivery period, the Company shall provide BPA with notice of its daily amounts of required HLH and LLH Firm Energy. The sum for HLH and LLH of the daily amounts for the week shall be equal to the weekly amounts. For transition weeks, the Company shall identify the daily amounts associated with each monthly period.

(C) Hourly Amounts of Firm Energy

The Company shall specify, orally or in writing, hourly amounts of Firm Energy in whole megawatthours not later than 2 p.m. on the workday prior to the day or days of delivery. Such specified amounts shall be scheduled amounts for all purposes under this Agreement. The sum of the Company's hourly amounts for HLH and LLH Firm Energy for the day shall be equal to its daily amount for HLH and LLH Firm Energy. The specified amount of LLH Firm Energy for any LLH shall not be less than 50 percent of the Company's average hourly amount of LLH Firm Energy for the day.

11. RATE TEST COMPLIANCE

For purposes of the Company's right to terminate under section 5(a), the Rate Test will be satisfied only if all of the following conditions specified in sections 11(a), 11(b), and 11(c) are met.

(a) Rate Test for Delivered Firm Power

The total average price (excluding the use-of-facilities charge) for Firm Power delivered to the Company during each Contract Year, including all charges for Firm Energy; Demand; reactive power; transmission on a point-to-point basis (excluding the delivery charge); load regulation; and any other applicable charge, is 22.1 mills per kilowatthour or less.

The total average price shall be calculated from the Rate Schedule by summing all applicable charges as provided above for the purchase of equal hourly amounts of delivered Firm Power for each hour of each Contract Year of this Agreement, and dividing the resulting sum by the total number of kilowatthours of such sale in the Contract Year. In calculating the total average price, the calculation shall assume a Plant Load equal to the delivered amounts used in the calculation, a constant power factor of 0.98 lagging, and shall not assume any purchase of load shaping products, any preschedule changes, any remarketing of Excess Firm Energy, or any Unauthorized Increases. For purposes of calculating the total average price, BPA shall use the lowest firm transmission rate in the Rate Schedule for deliveries to the Company's facilities.

(b) Rate Test for Fixed Curtailment Fee

The fixed curtailment fee in the Rate Schedule is less than or equal to 5 mills per kilowatthour.

(c) Rate Test for Use-of-Facilities Charge

~~use-of-facilities charge~~ The use-of-facilities charge specified in Exhibit I is less than or equal to the use-of-facilities charge that is used for deliveries of

non-Federal power under the IR Transmission Agreement, and is calculated pursuant to Exhibit I.

12. RATES AND CHARGES

- (a) The rates and charges for all services provided by BPA under this Agreement (exclusive only of charges for additional power or optional services specifically requested by the Company) shall be as specified in Exhibit B, and the Rate Schedule in Exhibit C, and Exhibit I, and shall include no other fee or charge, other than those specified in Exhibits, B C, and I. Such Rate Schedule shall not be revised except as required in a remand order of FERC or a court upon direct review of the Rate Schedule. Exhibit I may be revised pursuant to the provisions of section 8(b)(2).
- (b) If the Company specifies a minimum level of Demand for transmission pursuant to section 9(d), the charge for the amount by which such monthly minimum Demand for transmission exceeds the Demand in any month shall be the Embedded Cost Network Charge under Rate Schedule PTP-96.5.

13. BILLING AND PAYMENT

Bills for power shall be rendered monthly by BPA. Failure to receive a bill shall not release the Company from liability for payment. If requested by the Company, BPA will electronically transmit the Company's power bill to the Company on the issue date of the bill, provided the Parties have compatible electronic equipment. BPA may elect to electronically transmit only that portion of the bill showing the amount owed. If the entire bill is not provided by electronic means, BPA will also send the Company a complete copy of its power bill by mail.

(a) Due Date

Bills shall be due by close of business on the 20th day after the date of the bill (Due Date). This requirement also holds for revised bills (see

section 13(h)). If the 20th day is a Saturday, Sunday, or Federal holiday, the Due Date shall be the next business day.

(b) Payments of \$50,000 or More

- (1) If the Company's monthly bill from BPA is \$50,000 or more, the Company must pay by wire transfer using procedures established by BPA's Financial Services Group, unless the Company has obtained the right to pay by mail as provided in section 13(b)(2). Wire transfer amounts are due and payable on the Due Date.
- (2) The Company may pay its bill by mail even if the amount exceeds \$50,000, provided the following conditions have been met:
 - (A) the Company gives BPA 30 days' notice of its intent to pay by mail;
 - (B) The Company ensures that BPA receives full payment by the above-stated Due Date; and
 - (C) the Company has not incurred late payment charges while paying its bills by mail.

If the Company incurs a late payment charge while paying its bills under this payment provision, BPA may rescind the Company's right to pay bills of \$50,000 or more by mail. The Company would then be required to pay by wire transfer as provided in section 13(b)(1).

(c) Payments of Less than \$50,000

If the Company's monthly bill from BPA is less than \$50,000, the Company may pay the bill by mail. Payment for such bills will be accepted as timely if the payment is postmarked by the Due Date. Payments shall be mailed to:

Bonneville Power Administration
P.O. Box 6040
Portland, OR 97228-6040

(d) **Computation of Bills**

Bills for products and services purchased under this Agreement shall be rounded to whole dollar amounts, by eliminating any amount which is less than 50 cents and increasing any amount from 50 cents through 99 cents to the next higher dollar.

(e) **Estimated Bills**

At its option, BPA may elect to render an estimated bill for a month to be followed at a subsequent billing date by a final bill for that month. Such estimated bill shall have the validity of, and be subject to, the same payment provisions as a final bill.

(f) **Late Payment**

Bills not paid in full on or before close of business on the Due Date shall be subject to an interest charge of one-twentieth percent (0.05 percent), applied each day to the unpaid balance. This interest charge shall be assessed on a daily basis until such time as the unpaid amount is paid in full.

Remittances received by mail which are not required to be paid by wire transfer will be accepted without assessment of the charges referred to in the preceding paragraph of this section 13(f), provided the postmark indicates the payment was mailed on or before the Due Date.

(g) **Disputed Bills**

In the event of a billing dispute, the Company agrees to note the disputed amount and pay its power bill in full by the Due Date. The amount billed is subject to late payment charges until paid in full. If it is determined that the Company is entitled to a refund of any portion of the disputed amount, then

BPA will make such refund with interest computed from the date of receipt of the disputed payment. Interest will be computed using an interest rate of one-twentieth percent (0.05 percent) applied each day to the disputed payment amount. BPA shall not be liable for interest prior to the time the Company notifies BPA of the dispute. Disputed bills are subject to the terms and conditions of section 22 of this Agreement.

(h) **Revised Bills**

As necessary, BPA may render revised bills. The date of a revised bill shall be its issue date.

- (1) If the amount of the revised bill is more than the amount of the previous bill, the previous bill remains due on its Due Date, and the additional amount is due on the Due Date of the revised bill.
- (2) If the amount of the revised bill is less than the amount of the previous bill, the obligation to pay the previous bill is satisfied by payment of the revised bill on the Due Date of the previous bill.
- (3) If the revised bill changes the Party to whom money is due, the previous bill is canceled and the amount owed the other Party is due on the Due Date of the revised bill.
- (4) If payment of the previous bill results in an overpayment, a refund is due on the later of: (A) the Due Date of the revised bill, or (B) 20 days after the receipt of the payment for the original bill.

14. RELIEF FROM TAKE-OR-PAY OBLIGATION

(a) **Hourly Amounts**

BPA shall relieve the Company of its Take-or-Pay Obligation for any hourly decrease in Firm Power usage below the scheduled amount of Firm Power for

any hour, to the extent that such decrease is less than or equal to the greater of 1 megawatt or 5 percent of the Firm Power scheduled for such hour; **provided, however,** that BPA shall relieve the Company of its Take-or-Pay Obligation for up to 15 percent of the Firm Power scheduled for such hour, if the Company demonstrates to BPA that an operational occurrence took place that caused a reduction in Plant Load.

(b) **Daily Amounts**

BPA shall relieve the Company of its Take-or-Pay Obligation for any daily decrease in Firm Power usage below the Company's daily amount of HLH and/or LLH Firm Energy, to the extent that such decrease is less than or equal to the greater of 1 average megawatt or 5 percent of the daily HLH and/or LLH Firm Energy for the day.

(c) **Monthly Amounts**

BPA shall relieve the Company of its Take-or-Pay Obligation for any monthly decrease in Firm Power usage below the Company's monthly amount of HLH and/or LLH Firm Energy, to the extent that such decrease is less than or equal to the greater of 1 average megawatt or 1 percent of the Firm Power specified in Exhibit D for such month.

(d) **Maintenance Outage**

In addition to any other relief provided herein, BPA shall relieve the Company of its Take-or-Pay Obligation for any Firm Energy that cannot be delivered due to an interruption pursuant to section 4(f) of Exhibit A.

(e) **Restricted Energy**

The Company shall not be required to pay BPA the Rate Schedule energy charge for the amount of energy restricted by BPA, or the amount of energy the Company cannot use prior to the restoration of plant operations following any such restriction.

15. UNAUTHORIZED INCREASE CHARGES

(a) **Measured Amounts in Excess of Scheduled Amounts**

Measured Demand and Measured Energy, as those terms are defined in Exhibit C, General Rate Schedule Provisions, which is not assigned to classes of power delivered under other agreements, shall be deemed to be a Firm Power delivery under this Agreement. In lieu of the Demand and Firm Energy charges under the Rate Schedule, BPA will assess the Unauthorized Increase charge specified in the Rate Schedule for any hourly amount of Measured Demand or Measured Energy in excess of the lesser of the amount scheduled for such hour or the Demand for any HLH, to the extent that such hourly excess exceeds the larger of:

- (1) 1 megawatt; or
- (2) 1 percent of the scheduled amount of Firm Power on any such hour.

(b) **Scheduled Amounts in Excess of Daily Amounts**

BPA shall assess an Unauthorized Increase charge for any scheduled daily amounts of HLH or LLH Firm Energy that exceeds the Company's daily amount of Firm Energy for HLH or LLH established pursuant to section 10(b)(2)(B).

(c) **Firm Power Deliveries to Plant Load Dedicated to Non-Federal Service**

BPA shall assess an Unauthorized Increase charge for any delivery of Firm Power to Plant Load served by Non-Federal Service when the Company has elected to curtail its purchases pursuant to section 18(a), unless such deliveries are allowed under an applicable rate schedule or under a separate agreement between the Parties.

16. CHANGES IN FIRM POWER AMOUNTS

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- (a) If on or before October 1, 1997, the Company requests additional monthly or annual amounts of Firm Power that differ from the amount specified in Section 9(b) or Exhibit D, BPA shall be obligated to provide such Firm Power. After October 1, 1997, the Company may request, and BPA may, but shall not be obligated to provide monthly or annual amounts of Firm Power that differ from the amounts specified in Exhibit D.
 - (b) BPA shall not grant such request if the change shall cause BPA's Firm Power obligation to exceed the Company's Contract Demand.
 - (c) If BPA grants the request, the changes shall be reflected in a revision to Exhibit D to be executed by the Parties.
 - (d) The amounts of Firm Power in the revised Exhibit D shall be purchased and sold at the applicable rates specified in Exhibit C of this Agreement.

17. RESERVES

(a) **Operating Reserves**

In the event of an Occurrence requiring the use of Operating Reserves, unless otherwise provided by separate agreement, the Company shall, within 5 minutes of receiving an appropriate request from BPA, provide Operating Reserves by reducing its Federal Load for up to 120 Event Minutes as follows:

(1) **Amount of Requested Operating Reserves**

The amount of Requested Operating Reserves will be specified by BPA in its request; **provided** that the amount of Requested Operating Reserves shall not exceed the Federal Load at the time of BPA's notice.

(2) **Use of Other Operating Reserves**

BPA shall use all other operating reserves available to BPA, including reserves available from parties other than direct service industry customers, prior to using Operating Reserves under this Agreement.

(3) **Company Failure to Respond to BPA's Request for Operating Reserves**

If the Company fails to respond to BPA's request for Operating Reserves by voluntarily reducing its load to the level requested within 5 minutes after BPA's request for Operating Reserves, BPA may unilaterally restrict (Unilaterally Restrict(ed)) an amount up to the Company's entire Process Load so that BPA can obtain the Requested Operating Reserves in a timely manner; **provided** in the event BPA Unilaterally Restricts the Company's load by opening a circuit breaker, BPA shall open the circuit breaker that results in the smallest load reduction necessary to achieve BPA's Requested Operating Reserves. In the event that BPA Unilaterally Restricts the Company's load, BPA will work with the Company to restore service to the nonreserve portion of its load as soon as practicable, but in any event within 90 minutes. BPA will not provide compensation for any service in excess of the Requested Operating Reserves Unilaterally Restricted due solely to the Company's failure to respond in a timely manner to BPA's request for Operating Reserves. In the event BPA Unilaterally Restricts the Company's load, for purposes of calculating Event Magnitude and liquidated damages, BPA shall be deemed to

restore non-BPA power service prior to restoring BPA power service. BPA shall not unreasonably refuse to cooperate with the Company, at the Company's expense, if the Company requests to install circuit breakers, at the Company's expense, to allow for greater flexibility in the amount of Company's load that would be susceptible to a Unilateral Restriction.

(b) **Stability Reserves**

The Company shall provide Stability Reserves up to the hourly amount of Firm Power delivered to the Company under this Agreement and for a period of up to 30 Event Minutes per Event as provided herein:

(1) **Amount of Stability Reserves**

When necessary to provide Stability Reserves, BPA may restrict deliveries of Firm Power under this Agreement to Company's aluminum smelter Process Load for a period of up to 30 Event Minutes per Event pursuant to the scheme(s) listed in Exhibit G and to Company's other loads under any additional scheme(s) adopted pursuant to this section 17(b)(3); **provided**, that BPA shall have the sole right to determine whether to restrict all or part of Company's energy subject to restriction hereunder when an SR Event occurs.

(2) **Additional Installations**

In the event that the Company makes less than 100 percent of its Process Load available to BPA for Stability Reserves under this Agreement or under other agreements, the Company shall pay all costs for such additional installations as may be needed at the Company's facilities or BPA's facilities used solely to serve the Company to allow for the restriction of only a portion of the Company's load.

(3) Additional Stability Reserve Schemes

To the extent BPA determines:

- (A) the need for additional Stability Reserve scheme(s) not listed in Exhibit G that would restrict, at a frequency and duration similar to the scheme(s) listed in Exhibit G, the energy subject to restriction under this Agreement,
- (B) the need to apply Stability Reserve schemes listed in Exhibit G and additional Stability Reserve scheme(s) to energy delivered under this Agreement to nonaluminum direct service industries, or
- (C) the need for modifications to the elements of schemes listed in Exhibit G that would significantly change the expected frequency or duration of restrictions, then:
- (D) the Company agrees to cooperate in the development of such scheme(s) and shall not unreasonably withhold its consent to implementation of such scheme(s), at BPA's expense.

BPA shall consult with the Company on the need for such schemes, the operational characteristics as they affect the Company, and the additional compensation for such scheme(s) (except for the application of the Stability Reserve schemes listed in Exhibit G to energy delivered under this Agreement to nonaluminum direct service industries) that BPA shall pay, and;

BPA shall consider alternative methods and costs, including purchases from entities other than direct service industry customers, for obtaining such additional reserves.

(c) **General Provisions**

(1) **Restoration of Service**

Notwithstanding any other provision of this Agreement, BPA shall end the Event as soon as possible. The Company agrees to cooperate in the development of mechanisms that will enhance BPA's ability to notify the Company of the end of an Event.

(2) **No Right to Cause Material Plant Damage**

Notwithstanding any other provision of this Agreement, including the breach and damages provisions, BPA shall have no contractual right under this Agreement which would cause the Company to incur Material Plant Damage as a result of providing Reserves; **provided**, BPA shall not be liable for damages for such Material Plant Damage that occurred prior to reaching the Event Magnitude Limit or prior to Event Minute 46 for an SR Event.

(3) **Compensation for Reserves**

The Company shall be compensated for providing reserves through the credit in the applicable power rate in the Rate Schedule for all Events with an Event Magnitude less than or equal to the Event Magnitude Limit, and for all SR Events of an Event Duration of 30 minutes or less.

(4) **Liquidated Damages**

The Parties acknowledge that restrictions beyond that allowed by this Agreement may result in damage to and lost production by the Company's production facilities prior to Material Plant Damage and that such damage is difficult to quantify. Therefore the Company may recover from BPA liquidated damages as follows:

(A) If an SR Event Duration exceeds 30 Event Minutes, then BPA shall be liable to Company as follows:

(i) 200 mills per kilowatthour of restricted energy during SR Event Minutes 31 through 45 (or portion thereof) of an SR Event; and

(ii) 400 mills per kilowatthour of restricted energy during SR Event Minutes (or portion thereof), after SR Event Minute 45 of an SR Event; or

(B) If the Event Magnitude of any Event exceeds the Event Magnitude Limit, then BPA shall be liable to the Company for 200 mills per kilowatthour for each kilowatthour that the Event Magnitude exceeds the Event Magnitude Limit.

Each megawatt of restricted load that is subject to both sections 17(c)(4)(A) and 17(c)(4)(B) shall be paid for at the highest level specified under either section 17(c)(4)(A) or section 17(c)(4)(B), but shall not be paid for under both sections 17(c)(4)(A) and 17(c)(4)(B).

(5) **Material Plant Damage**

In lieu of section 17(c)(4)(A)(ii) or 17(c)(4)(B), at the Company's option, if the SR Event Duration exceeds 45 SR Event Minutes, or an Event exceeds the Event Magnitude limit and the Company incurs, in its determination, Material Plant Damage as a direct result of the restriction, then as to the portion of its production facilities that suffers Material Plant Damage, BPA and the Company agree that these damages can be reasonably quantified and, therefore, for that portion of its production facilities, the Company may recover actual damages (excluding only lost production and lost profits). Such actual

damages shall not exceed \$30 per kilowatt of plant production facilities suffering Material Plant Damage. The liquidated damages charges in sections 17(c)(4)(A)(ii) and 17(c)(4)(B) shall continue to apply to that portion of Company's load which the Company does not determine has suffered Material Plant Damage.

BPA shall not be liable for any portion of Material Plant Damage associated with restrictions to service to the Company's load resulting from stability or operating reserves which the Company provides to others or provides for its own use. In the event that Material Plant Damage is a result of a Company's load being restricted under this Agreement and under other agreement(s) between BPA and the Company or between the Company and a third party (or parties), then BPA shall be liable under this Agreement only for a portion of the Material Plant Damage. BPA's share of the Material Plant Damage under this Agreement shall be based on the ratio of: the Event Magnitude divided by the sum of Event Magnitude and the number of megawatt-minutes of such other restriction during, or immediately before or after the Event.

(6) Makeup Power

At the Company's request, BPA shall sell and deliver to the Company energy in excess of the amount shown in Exhibit D (Makeup Power), at the applicable energy charge only established for Firm Energy in the Industrial Firm Power Rate in the Rate Schedule, to the extent that such energy is needed by the Company to restore its operations following a restriction. Such Makeup Power shall not subject the Company to any Unauthorized Increase or other charge.

18. CURTAILMENT OR REMARKETING

The Company shall have a one-time option, at the time the Company makes its first submission of monthly amounts of Firm Power pursuant to section 10(a) of this

Agreement, to either: curtail its purchases pursuant to section 18(a); or remarket Excess Firm Energy pursuant to section 18(b). Following the Company's election, BPA and the Company shall operate under the terms and conditions of either section 18(a) or section 18(b), as applicable.

(a) **Curtailment of Excess Firm Energy for a Fixed Fee**

The Company may curtail its Plant Load below the sum of its Take-or-Pay Obligation plus any amount of Non-Federal Service the Company identifies at the time it elects this curtailment option. BPA shall relieve the Company of its Take-or-Pay Obligation for Demand and Firm Energy for any such curtailed amounts and the Company shall pay BPA the fixed curtailment fee in mills per kilowatthour for each kilowatthour of such curtailed amounts, as specified in the Rate Schedule. Selection of this curtailment option shall relieve the Company of its obligation to pay the use-of-facilities charge specified in Exhibit I for amounts of curtailed energy.

- (1) The Company shall provide BPA as much notice as possible, but not less than 48 hours, of any curtailment of Firm Power usage.
- (2) If the Company chooses to use Non-Federal Service for part of its Plant Load, the Company shall specify the monthly amounts of demand, HLH energy, and LLH energy of Non-Federal Service, if any, for the term of this Agreement. BPA shall not be obligated to serve these specified monthly amounts, and any service to these amounts shall be subject to an Unauthorized Increase charge, as provided for in section 15(c).
- (3) Curtailed energy shall be equal to the Company's Take-or-Pay Obligation for Firm Energy reduced by the relief from take-or-pay provisions of section 14, minus the Measured Energy for Firm Power delivered under this Agreement.

- (4) Election of this curtailment option operates to assign the Company's right to transmit an amount of energy equal to the curtailed energy to BPA.

(b) **Remarketing Excess Firm Energy Without a Fixed Fee**

(1) **Notice and Request to Remarket**

The Company shall request that BPA remarket Excess Firm Energy by notifying BPA of:

- (A) the amount and minimum duration of Excess Firm Energy to be remarketed; and
- (B) the manner pursuant to section 18(b)(2) in which the Company wants BPA to remarket the Excess Firm Energy.

(2) **Remarketing Options**

The Company may select one or more of the following options for remarketing Excess Firm Energy:

- (A) The Company may identify one or more Qualified Purchasers that have agreed to purchase some or all of the Excess Firm Energy under specified terms and conditions at agreed-upon prices or price formulas and for agreed-upon amounts and durations. The Company shall provide BPA at least the notice specified in section 18(b)(3) prior to the date that deliveries are to begin under each proposed sale.
- (B) The Company may arrange in advance for a Qualified Purchaser(s) to purchase any Firm Power that becomes Excess Firm Energy during any period for which the Company and a Qualified Purchaser may agree. The Company shall provide

BPA at least the notice specified in section 18(b)(3) prior to the date on which the prearrangement becomes effective. In addition, the Company shall notify BPA as required in section 10(b) when deliveries are to begin under the arrangement.

(C) The Company may request that BPA find purchasers for the Excess Firm Energy. If the Company chooses, it may request that BPA seek sales of specified amounts for daily, weekly, monthly, or other specified durations, and the Company may specify minimum prices or price ranges for the sales. BPA and the Company shall agree on the price of the sale at the time of the transaction unless the daily limitations in section 18(b)(4)(E) apply. BPA shall promptly notify the Company of the sales made on the Company's behalf.

(D) The Company and BPA may agree to a price for use in crediting the Company's wholesale power bill under section 18(b)(4). BPA shall have discretion to dispose of or use such Excess Firm Energy without regard to the procedures associated with other options for disposal, and the Company shall have no further rights with respect to such Excess Firm Energy that is subject to such agreement.

(3) **Applicability of Preference Provisions**

Excess Firm Energy remarketed by BPA shall be subject to applicable statutory provisions regarding preference. BPA shall notify the Company within the time period specified below if BPA or another Qualified Purchaser with public preference has elected to perform the agreement.

Duration of Sale	Minimum Notice Period to Notify BPA	Maximum Period for BPA to Respond to Company
Up to 1 month	48 hours	24 hours
Up to 6 months	7 days	2 days
Over 6 months	14 days	7 days
Prearrangements under section 18(b)(2)(B)	21 days	14 days

(4) **Crediting the Company's Wholesale Power Bill**

- (A) During months when Excess Firm Energy is being remarketed by BPA, such power shall continue to be included in the amount of Firm Power billed by BPA as if delivered to the Company.
- (B) BPA may sell the Excess Firm Energy to the Qualified Purchaser(s) as arranged by the Company under options section 18(b)(2)(A) and section 18(b)(2)(B) or dispose of such power on whatever alternative terms that BPA may separately arrange. In either event, BPA shall credit the Company for the Excess Firm Energy revenues based on the price(s) agreed to between the Company and the Qualified Purchaser(s) net of the amounts specified in section 18(b)(4)(C).
- (C) BPA shall determine the revenues for Excess Firm Energy delivered during a month by subtracting from the amount paid by the Qualified Purchaser (or the amount agreed to be paid or credited if BPA elects not to remarket to the Qualified Purchaser, disposes of or uses the Excess Firm Energy under section 18(b)(2)(D), or remarkets the Excess Firm Energy under section 18(b)(2)(C)): (i) any applicable transmission charges or losses specified in section 18(b)(4)(F); and (ii) the remarketing fee, as specified in Exhibit B. The fee or the pro rata share of the fee that the Company would have paid to

another entity under a transaction under section 18(b)(2)(B) shall be deducted from revenues when BPA elects to retain the Excess Firm Energy for itself. No charges shall apply under section 18(b)(4)(C)(i) and section 18(b)(4)(C)(ii) when BPA uses such Excess Firm Energy for its own use or disposes of such Excess Firm Energy under section 18(b)(2)(D).

- (D) BPA shall credit the Company's wholesale power bill for revenues from sales of Excess Firm Energy in the month in which BPA uses such Excess Firm Energy for its own use or disposes of such Excess Firm Energy under section 18(b)(2)(D), BPA is paid for such Excess Firm Energy under section 18(b)(2)(C), or BPA is paid for such Excess Firm Energy by the Qualified Purchaser. If the amount of the credit during any month exceeds the power bill amount, then BPA shall pay the Company the amount of the difference.
- (E) BPA shall credit the Company for sales made under section 18(b)(2)(C) on Company's behalf subject to the limitations in this paragraph. For sales of 1 month duration or less, if BPA notified the Company at the start of a transaction that it was subject to daily remarketing limitations and BPA is simultaneously remarketing power for the Company and selling nonfirm energy on a daily basis, then the Company shall receive credit for the energy that BPA remarkets on the Company's behalf on such days at BPA's average sale price for nonfirm energy (including remarketed energy) for such day; **provided, however,** BPA shall have no obligation to credit the Company at such average daily price to the extent that the total amount of Excess Firm Energy remarketed under similar contract provisions for the Company and other entities

providing for daily remarketing limitations exceeds the following limits:

If BPA's actual daily average sales (excluding remarketed amounts) are:		Limit to total amount of remarketed energy:
equal to or greater than (aMW)	but less than (aMW)	(aMW)
0	600	25% of BPA actual sales
600	1,000	200
1,000	1,500	250
1,500	3,000	300
3,000	4,000	400
4,000	5,000	500
5,000	--	600

In the event the above limits are exceeded, the Company shall be credited for its pro rata share of remarketed energy at the average daily price. All sales of remarketed energy for each day under the daily remarketing limitations shall be considered made under a single active schedule to determine remarketing fees. Sales of remarketed energy under the daily remarketing limitations shall be considered made over the southern intertie during the months of April through July, and in the Pacific Northwest during other months. The Company may request that BPA remarket the remainder of its Excess Firm Energy at the best available price for additional energy, or the Company may arrange to store the Excess Firm Energy for sale at another time. BPA shall not discriminate against the Company in the storage or disposal of such remaining Excess Firm Energy.

(F) There are no additional transmission charges for Excess Firm Energy except when:

(i) BPA incurs incremental transfer costs, including losses,

- (ii) the Qualified Purchaser receiving delivery would have paid a charge for low-voltage delivery higher than the charge, if any, paid by the Company.

The Company shall pay such incremental costs. Any deliveries of Excess Firm Energy over BPA's interties shall be charged BPA's standard intertie tariffs. Losses will be valued at the price of the remarketed power.

19. LOAD REGULATION, UNBUNDLED PRODUCTS, AND OTHER TRANSMISSION PRODUCTS

(a) Purchase of Load Regulation

If the Company is within BPA's Control Area, or if BPA provides load regulation services to the Company through a third party, the Company shall purchase load regulation from BPA. The charge for load regulation shall be as specified in Exhibit C.

(b) Moving Out of BPA's Control Area

The Company may elect to discontinue the purchase of load regulation from BPA by notifying BPA of its intent to either:

- (1) establish its own Control Area consistent with the then-applicable requirements of the North American Electric Reliability Council (NERC), the Western Systems Coordinating Council (WSCC), and the Northwest Power Pool (NWPP); or
- (2) locate in another Control Area operating in accordance with NERC, WSCC and NWPP standards.

(c) **Schedule for Changing Control Areas**

- (1) Upon notice by the Company that the Company intends to move out of BPA's Control Area, BPA shall use best efforts to effectuate the change of Control Area within a reasonable period of time from the date of request, **provided, however**, that the Company obtains the full cooperation of any third party to take all steps required for BPA to accomplish the change consistent with applicable NERC, WSCC, and NWPP standards.
- (2) Within a reasonable time, which may be less and shall not exceed 60 days following receipt of the Company's notice of intent to change Control Areas, BPA shall provide the Company with:
 - (A) an estimate of the schedule for making the necessary changes, and
 - (B) an estimate of the costs that BPA will incur in making the required changes.
- (3) BPA shall continue to charge the Company for load regulation until the date that another Control Area assumes full Control Area responsibility.
- (4) If the Company moves out of BPA's Control Area, the Parties shall schedule Firm Power in accordance with then-existing WSCC scheduling practices. The Parties shall amend the appropriate provisions of this Agreement to reflect such practices.

(d) **Unbundled Products and Other Transmission Services**

BPA shall offer to the Company the ancillary services, the network integration transmission product, the point-to-point transmission product,

and the intertie transmission products that BPA offers to its utility customers. BPA may offer to the Company other unbundled services. If the Company elects to purchase such products, the Parties agree to amend the appropriate provisions of this Agreement.

(e) **Eccentric Loads**

None of the Company's facilities operating as of the Effective Date shall be billed as Eccentric Loads.

(f) **Unbundling of Assignability in the Point-to-Point Transmission Rate**

If BPA offers a point-to-point transmission rate schedule that offers the right to purchase point-to-point transmission that is not assignable, the Company shall be eligible to take service under such schedule if the Company chooses to purchase such product. The Parties agree to amend the appropriate provisions of this Agreement to provide for transmission charges for Excess Firm Energy remarketed over BPA's network facilities at BPA's standard tariffs for point-to-point service.

20. PROVISIONS RELATING TO DELIVERY OF FIRM POWER

(a) **Delivery to Company's Firm Load**

BPA shall deliver Firm Power to the Company's firm load at the Point(s) of Delivery specified in Exhibit E.

(b) **Other Provisions Relating to Delivery**

Other provisions relating to delivery shall be as specified in Exhibit A.

21. ASSIGNMENT OF AGREEMENT

This Agreement shall inure to the benefit of, and shall be binding upon the respective successors and assigns of the Parties. This Agreement or any interest therein may be transferred or assigned by either Party to another only upon the written consent of the other Party, which shall not be unreasonably withheld,

except as specifically provided in this section. The consent of BPA is hereby given to: (a) any assignment to a successor in interest of the Company that agrees to perform the obligations of the Company under this Agreement; and (b) any security assignment or other like financing instrument which may be required under terms of any mortgage, trust, security agreement or holder of such instrument of indebtedness made by and between the Company and any mortgagee, trustee, secured party, subsidiary of the Company or holder of such instrument of indebtedness, as security for bonds or other indebtedness of such Company, present or future. Such mortgagee, trustee, secured party, subsidiary, or holder may realize upon such security in foreclosure or other suitable proceedings, and succeed to all right, title, and interests of such Company.

22. DISPUTE RESOLUTION

- (a) The Parties intend by this Agreement to create contract rights and obligations to be interpreted to carry out the mutual intent of the Parties expressed herein and that such rights and obligations shall be enforceable, to the maximum extent consistent with existing statutes, like any other commercial contract.
- (b) If a dispute arises between the Parties regarding the terms, conditions, or performance of obligations under this Agreement, then the Parties shall continue performance under this Agreement pending resolution of such dispute. Parties shall first seek to resolve any dispute by settlement prior to giving notice of initiation of an arbitration under this Agreement.
- (c) Upon the written notice from either Party to the other Party, any and all disputes arising under the terms of this Agreement or out of performance under this Agreement are subject to arbitration on any issue, including without limitation, issues of fact, any law relating to performance under this Agreement, and contract interpretation.

- (d) The Company and BPA shall agree to a set of procedures for the conduct of any arbitration under this section 22 by February 1, 1996, and shall attach such procedures as Exhibit H to this Agreement. In the event the Company and BPA have not agreed to a set of procedures prior to a notice of a dispute under this section 22, then the arbitration procedures for commercial arbitration of the CPR Institute for Dispute Resolution (Non-Administered Arbitration Rules) shall be used for that dispute.
- (e) The Parties agree that all material related to plant technology, plant operations or to proving damages which is submitted by the Company to BPA, the arbitrator or any other party in any dispute under this Agreement is confidential. The Parties shall jointly request a protective order from the arbitrator:
- (1) preserving the confidentiality of such material;
 - (2) limiting its use to such proceeding; and
 - (3) requiring its return to Company at the conclusion of the proceeding.

BPA agrees not to voluntarily disclose any such information outside of the agency and agrees to restrict access to and use of such information to employees necessary to and for purposes associated only with the conduct of such proceeding. If requested to provide such information to any Federal agency or Congress, BPA shall inform the agency or Congress of the confidential nature of the information and request that the agency or Congress retain the information as confidential. BPA shall also inform the Company of the request prior to complying with the request. Responding to any such request shall not be a breach of this Agreement.

- (f) As part of a decision to resolve the dispute, an arbitrator may direct that one or both of the Parties take actions to meet its obligations under the

Agreement and may also direct that one Party pay the other Party an amount of damages caused to a Party as may be determined to result from a breach of the Agreement by the other Party.

- (g) The decision and award of the arbitrator shall be binding on both Parties to the maximum extent permissible under the law existing at the time that the notice of arbitration is given by one Party to the other Party.
- (h) Within 30 days after BPA's receipt of the arbitrator's decision and award, the Administrator shall decide to accept or reject the arbitrator's decision and award, and provide notice of the decision to the Company and the arbitrator. If BPA rejects the arbitrator's decision and award, then the notice shall state whether the Administrator contends that such decision and award is not binding on BPA as a matter of law.
- (i) If BPA provides such a notice to the Company and the arbitrator of nonacceptance of an award directing actions to be taken other than the payment of money, then the arbitrator shall review the decision and issue an alternative award which shall provide for an amount of money damages only. The Administrator shall have 30 days after the receipt of such alternative award to provide notice to the Company and the arbitrator accepting or rejecting the alternative award. If the Administrator rejects an award for the payment of money, then such rejection shall not affect either Party's right to seek to enforce or to challenge the award.
- (j) If BPA fails to provide notice of acceptance, nonacceptance, or rejection of an award as required in section 22(f), 22(g), or 22(i), then the Company may notify BPA that it will terminate this Agreement if BPA fails to provide such notice of acceptance, nonacceptance, or rejection of the award within 21 days. If BPA fails to provide such notice within 21 days of such request, the Company may terminate this Agreement.

- (k) If BPA notifies the Company that it will not accept any award and decision of the arbitrator directing money to be paid, or upon acceptance does not comply with the award and decision, or seeks to set aside any award on the grounds that the award is not binding on it, then the Company may, by giving notice to BPA within 90 days, terminate this Agreement. Such notice of termination shall be effective 30 days after the date it is received by BPA.
- (l) If the Company fails to comply with an award issued by an arbitrator and has not filed a legal action to modify, vacate, or set aside the award in a court having jurisdiction within 90 days, then BPA may demand performance of the award from the Company. If the Company does not then comply with the award within 90 days after such demand, BPA may terminate this Agreement. This provision shall not limit any other right to seek enforcement or other relief available to BPA.
- (m) Any monetary award entered by an arbitrator shall bear interest at a rate of one-twentieth percent (0.05 percent) per day, from the 31st day following receipt of the award by the Parties until the day the award is satisfied.
- (n) Irrespective of whether a notice of termination of this Agreement is given, the Party in whose favor the award and decision was made shall retain all rights to seek enforcement of the award, or other appropriate relief in a court of competent jurisdiction. Nothing in the foregoing shall limit the right of the other Party to seek any remedies it may have under law.

23. FORCE MAJEURE

(a) Definition of Force Majeure

“Force Majeure” means an event beyond the reasonable control and without the fault or negligence of the Party claiming Force Majeure. Force Majeure includes but is not limited to:

- (1) strikes or work stoppages, including threats of strikes or imminent strikes, the settlement of which shall be at the sole discretion of the Party subject to the strike;
- (2) events reasonably beyond the control of the Parties (including those events creating actual or imminent safety problems) and which the Party could not, by exercise of reasonable diligence and foresight, have been expected to avoid;
- (3) floods or other natural disasters; or
- (4) order or injunction entered by any court having competent subject matter jurisdiction or any order of an administrative officer, other than an officer of BPA or the Department of Energy, which cannot be stayed, suspended, or set aside pending review of such order.

Neither the unavailability of funds or financing, nor conditions of national or local economies or markets shall be considered a Force Majeure. The economic hardship of either Party shall not constitute a Force Majeure.

(b) Obligations of the Parties

Each Party shall notify the other as soon as possible of any Force Majeure which may, in any way, affect the delivery of Firm Power under this Agreement.

To the extent either Party is prevented, for the duration of the Force Majeure, from meeting its obligations under this Agreement by a Force Majeure, both Parties shall be excused from their respective obligations without liability to the other for the period reasonably required to restore the affected Party's operations to conditions existing prior to the occurrence of the Force Majeure.

24. NOTICES

Unless the Agreement requires otherwise, any notice, demand, or request provided for in this Agreement, or served, given, or made in connection with it, shall be in writing and shall be deemed properly served, given, or made if delivered in person or sent by telegraph, or by acknowledged delivery, or sent by registered or certified mail, postage prepaid, to the persons specified below:

To the Company:

Mr. Ken Younger
Corporate Director for Energy Services
Reynolds Aluminum
6601 West Broad Street
Richmond, VA 23230

To BPA:

Mr. Sydney D. Berwager - SH
Senior Customer Account Executive
U.S. Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

Any Party may, by written notice to the other Party, change the designation or address of the person so specified as the one to receive notices pursuant to this Agreement.

25. HOLD HARMLESS

Each Party hereto hereby assumes all liability for injury or damage to persons or property arising from the act or neglect of its own employees, agents or contractors and shall indemnify and hold the other Party harmless from any liability arising therefrom. Each Party releases the other Party from, and shall indemnify the other Party for, any such liability. As used in this section: (a) the term "Party" means, in addition to such Party itself, its directors, officers, and employees; (b) the term "damage" means all damage, including consequential damage; and (c) the term "person" means any person, including those not connected with either Party to this Agreement.

26. DAMAGES FOR FAILURE BY BPA TO DELIVER

In the event BPA fails to deliver the hourly amounts of Firm Energy scheduled by the Company to the plant's Point of Delivery, and such delivery is not restricted by BPA pursuant to its Reserve rights under this Agreement, or such delivery is not excused by section 4(f) of Exhibit A, BPA shall pay the Company (on the date payment by the Company for the Firm Energy would otherwise have been due under this Agreement):

- (a) an amount for each megawatthour of such nondelivery equal to the price at which the Company is, or would be, able to obtain comparable supplies of power at a commercially-reasonable price (adjusted to reflect differences in transmission costs, if any) minus the applicable payment under this Agreement; **provided**, if such sum as determined above is negative then it shall be deemed to equal zero; or
- (b) liquidated damages as provided for an Event which exceeds an Event Magnitude Limit, if the Company or its agent is unable, notwithstanding its diligent effort to do so, to obtain replacement power.

27. OBLIGATIONS DURING PERFORMANCE OF THIS AGREEMENT

During the course of performance of this Agreement by the Company, BPA shall not charge the Company or a third party doing business with the Company any amount, charge or fee of any nature whatever based on the historical purchases made by the Company under any prior power purchase agreements between the Company and BPA. This provision is a material term essential to the Company having entered into this Agreement.

28. THIRD PARTIES

The rights, obligations, and benefits of this Agreement shall inure solely to the signatories and the terms, covenants and conditions herein shall not be interpreted

to create, nor are they intended to create any right, benefit, or obligation to any third party whatsoever.

29. SEVERABILITY

If any term, covenant, or condition of this Agreement or the application of any such term, covenant, or condition shall be held invalid as to any person, entity, or circumstance by any court of competent jurisdiction, then such term, covenant, or condition shall remain in force and effect to the maximum extent permitted by law, and all other terms, covenants, and conditions of this Agreement and their application shall not be affected thereby but shall remain in force and effect unless the court finds that such provision is not severable from all other provisions of this Agreement. The Company's right to terminate this Agreement under section 5(a)(2)(B) shall not be limited by any finding that any term, covenant, or condition of this Agreement is severable.

30. ENTIRE AGREEMENT

The terms and provisions contained in this Agreement, including the exhibits and all referenced documents, constitute the entire agreement between the Parties and supersede all previous communications, representations, or agreements, either oral or written, between the Parties with respect to the subject matter of this Agreement. Except as expressly provided in this Agreement, this Agreement shall not supersede agreements with respect to the Prior Contract.

31. SIGNATURE CLAUSE

The signatories hereto represent that they have been duly authorized to enter into this Agreement on behalf of the Party for whom they sign.

IN WITNESS WHEREOF, the Parties have executed this Agreement.

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By /S/ SYDNEY D. BERWAGER
Senior Customer Account Executive

Name Sydney D. Berwager
(Print / Type)

Date September 28, 1995

REYNOLDS METALS COMPANY

By /S/ J. WILT WAGNER

Name _____
(Print / Type)

Title Executive Vice President / Raw Materials Metals & Industrial Products

Date September 20, 1995

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GENERAL CONTRACT PROVISIONS

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1. DEFINITIONS

- (a) "Federal System" or "Federal System Facilities" means the facilities of the Federal Columbia River Power System (FCRPS). For purposes of this Agreement, the FCRPS includes:
- (1) the Federal Government's generating facilities in the Pacific Northwest for which BPA is the designated marketing agent;
 - (2) the Federal Government's facilities under BPA's jurisdiction;
 - (3) any other facilities which BPA has a right to use by contract, license, or treaty; and

- (4) any other facilities from which BPA receives generating capability.
- (b) "Prudent Electric Utility Practice" or "Prudent Utility Practice" means, at any particular time, the generally accepted practices, methods, and acts in the electric utility industry that would achieve the desired result. If there are no such practices, methods, and acts, Prudent Electric Utility Practice means the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result consistent with reliability and safety considerations.

2. METERING

(a) Metering Costs

The Parties shall bear the costs of metering as provided in sections 2(a)(1) and 2(a)(2), except as otherwise specifically provided in section 2(b).

(1) Metering of Existing Facilities

BPA shall bear the costs of any meter replacement or new meter installation at any Company facility that is used for delivery of Federal power and which is an existing facility on the Effective Date of this Agreement.

(2) Metering of New Company Facilities

The Company shall pay all costs associated with installing BPA-approved metering at the following types of locations established by the Company after the Effective Date of this Agreement:

- (A) all points of generation integration;
- (B) all automatic generation control (AGC) interchange points; and
- (C) all other points of electrical interconnection, including convenience points of delivery.

(b) Metering Requirements at Company Facilities

(1) Points of Automatic Generation Control Interchange

The following metering is required for each AGC interchange point (a point on a Control Area boundary);

- (A) telemetering of the kilowatts (kW) at such point; and

- (B) hourly metering capable of providing summaries, at the end of each clock hour, of the kilowatthours (kWh) and kilovoltampere reactive hours (kVARh) (lagging and leading) exchanged during the previous hour.

(2) **Other Electrical Connections**

All electrical interconnections other than AGC interchange points and points of generation integration shall be metered on an hourly basis for both kW/kWh and kilovoltamperes reactive (kVAr)/kVARh (lagging and leading) quantities. BPA shall pay for any upgrades or replacement of required meters on facilities existing on the Effective Date; the Company shall pay to meet BPA's metering requirements for all new facilities.

(3) **Eccentric Loads**

At its own expense, the Company shall separately meter each of its eccentric loads, which are large loads that have an extremely steep ramp rate (more specifically defined in BPA's Billing Policy or product catalog). Eccentric loads shall be metered using telemetering equipment or the equivalent.

(c) **Metering Standards**

- (1) All meters at new installations where the interconnections are "normally closed" shall be capable of providing data electronically unless BPA otherwise agrees.
- (2) BPA will determine whether hourly data or meter slips are required for those interconnections that are normally operated in the "open" position.
- (3) All meters providing data electronically shall be compatible with BPA's electronic metering systems.
- (4) As of the Effective Date, BPA principally uses a telemetering system, a kWh system, and BPA's Revenue Metering System (RMS) for metering. There are acceptable alternatives to each of these specific systems. The Company shall consult with BPA to ensure compatibility of any Company meter with BPA's then-current metering system.

- (5) The Company's meters shall meet BPA's accuracy standards as described in the BPA's Billing Policy.
- (6) The Company shall coordinate with BPA to determine BPA's information and communication needs when designing future meter installations.
- (7) BPA-installed metering shall be used exclusively for BPA purposes unless otherwise agreed.
- (8) If the required metering capability is not installed by the Effective Date and until its installation, the Parties shall calculate the hourly quantities using a default methodology specified in the Billing Policy, unless a different methodology is specified in the Points of Delivery Exhibit.

(d) Data Reporting Requirements

- (1) Telemetered data shall be furnished to BPA continuously on a real-time basis via 10-30 hertz telemetry, BPA's Supervisory Control and Data Acquisition system, the Interutility Data Exchange system, or other data collection method as determined by BPA.
- (2) Hourly metered data for all points of generation integration and points of AGC interchange shall be furnished to BPA at the end of each clock hour. Data shall be reported through the kWh metering system or an approved alternative.
- (3) Hourly metered data for:
 - (A) points of delivery (excluding points of AGC interchange); and
 - (B) eccentric loadsshall be furnished to BPA at least once a month, at the end of the Company's billing cycle.
- (4) The Company shall submit a meter slip to BPA for all metering points which do not currently have:
 - (A) metering capable of providing hourly kWh and kVArh quantities; or

(B) electronic communications for such metered amounts (through the RMS or equivalent).

(e) **Metering Tests**

Each Party shall inspect and test each of its meters used to measure power flowing between the Parties:

- (1) at least once every 2 years; and
- (2) upon the request of the other Party.

Each Party shall give reasonable notice to the other stating when a test or inspection will occur. The other Party has the right to have one or more representatives present at such test or inspection.

3. FACILITIES

(a) **Ownership of Facilities**

- (1) Except as otherwise expressly provided, equipment or salvable facilities owned by one Party and installed on the property of the other shall remain the property of the owner.
- (2) Each Party shall identify all movable equipment and other salvable facilities which it installed on the other's property by permanently affixing suitable markers plainly identifying the owner. Within a reasonable time after such installation, and again after any subsequent modification of such installation, representatives of the Parties shall jointly prepare an itemized list of said movable equipment and salvable facilities.

(b) **Access to Facilities**

Whenever one Party has facilities or equipment located on, or planned to be located on, the other's property, the property owner shall give the facility or equipment owner permission to access such property for any reasonable purpose related to such facilities or equipment, including removal. The property owner shall also provide accurate and up-to-date information on those facilities and equipment owned by the property owner, to the extent needed by the other Party to accomplish its purpose.

Each Party shall have the right, at any reasonable time, to enter the other's property to read meters and inspect the other Party's electric installation. The inspecting Party shall observe written instructions and posted rules and such other necessary instructions or inspection standards to which the Parties have agreed. Only those electric installations used to deliver power that BPA sells or wheels to the Company shall be subject to inspection.

The inspecting Party shall be liable for any injury, loss, damage, or accident resulting from their inspection.

(c) **General Environmental Provisions**

Each Party shall be responsible for the cost of compliance with the requirements of all applicable Federal State, and local environmental laws for its own facilities, even when those facilities are located on the property of the other Party.

4. DELIVERIES

(a) **Character of Service**

Unless otherwise provided in this Agreement, BPA shall make electric power available to the Company in the form of 3-phase alternating current, at a nominal frequency of 60 hertz.

(b) **Voltage Levels**

(1) **Voltage Levels on the Transmission System**

BPA has the right to operate its transmission system as provided below and cannot accept any restriction of that right.

(A) **500 Kilovolt System**

BPA shall normally operate its 500 kV transmission system in a range from the nominal voltage to 10 percent above the nominal voltage (500 kV to 550 kV).

(B) **115-345 Kilovolts**

BPA shall normally operate its 115-345 kV transmission system within 5 percent of the nominal voltage. BPA normally operates in the range from nominal voltage to 5 percent above, but reserves the right to operate in the lower half of the range. Sometimes BPA will allow some of its transmission lines or facilities to operate above or below the normal voltage limits where no substantive damage will occur from this operation.

(2) **Voltage Levels at Points of Delivery**

When the nominal voltage at the Company's point of delivery is 115 kV or more, BPA shall deliver power to the Company at the operating voltage of the transmission system. If the nominal voltage at the Company's point of delivery is below 115 kV, the delivery voltage may differ from the operating voltage of the transmission system as a result of the "turns ratio" and impedance of the transformer providing the delivery service.

(3) **Voltage Schedules**

Voltage schedules are necessary for the efficient and reliable transmission of electrical power. BPA will establish a voltage schedule for each critical (or key) substation, as determined by BPA. Depending on the hourly operating requirements at each substation and at each point of generation integration, BPA will issue a target voltage (set-point) for the voltage schedule. At any time, BPA may reset the voltage schedule. The Company shall take all appropriate actions to help BPA maintain the established voltage schedule.

(4) **Voltage Levels During Abnormal System Conditions**

During outages or emergencies, BPA will maintain delivery voltage within 10 percent of the nominal voltage for all facilities having a nominal voltage less than 500 kV. BPA will normally match other transmission providers' voltage levels for abnormal system conditions when they share transmission responsibilities. At times during abnormal system conditions, BPA may need the Company to supply additional reactive power from its generating facilities (relative to normal requirements) to maintain reasonable voltage levels. The Company shall use its best efforts to comply with BPA's request.

(c) **Balancing Phase Demands**

The current on any one phase shall not deviate by more than 5 percent from the current on any other phase, unless otherwise agreed by the Parties.

(d) **Harmonic Control**

Each Party shall design, construct, operate, maintain, and use its electric facilities in accordance with Prudent Utility Practice to reduce, to acceptable levels, the harmonic currents and voltages which pass into the other Party's facilities. To that end, the Parties shall be guided by the recommended practices and requirements for harmonic control specified in The Institute of Electrical and Electronics Engineers, Inc. (IEEE) Electrical Power System

Standard 519-1992, or its successor. The Parties shall accomplish harmonic reductions using equipment which is specifically designed, and permanently operated and maintained, as an integral part of the facilities of the Party which owns the system on which the harmonics are generated.

(e) **Voltage Flicker**

Voltage flicker is normally detectable through visible variations in light intensity. However, flicker may be present even when no light variations are detectable. Since flicker is disruptive to lighting and can damage computer equipment, it must be controlled. IEEE Recommended Practices and Requirements for Harmonic Control in Electric Power Systems (IEEE Standard 519) provides definitions and limits on acceptable levels of voltage flicker, as set by IEEE Standard 519. Both Parties shall control voltage flicker on their respective systems as required by IEEE Standard 519.

(f) **Maintenance Outages**

The Company, BPA, or a transferor may temporarily interrupt or reduce deliveries of electric power if any such party determines that such interruption or reduction is necessary or desirable to install equipment in, make repairs to, make replacements within, conduct investigations and inspections of, or perform other maintenance work on, the Company's facilities, the Federal System, or the transferor's system.

Except in an emergency where such notice is not possible, the interrupting party shall notify the other affected entities in advance of an interruption or reduction in service. The interrupting party shall identify the reason for such interruption or reduction, and the probable duration. To the extent reasonable or appropriate, the Company or BPA shall schedule such interruption or use temporary facilities or equipment to minimize the effect of any such interruption or outage.

5. STATUTORY PROVISIONS

- (a) The provisions of sections 9(c) and (d) of Public Law 96-501 and the provisions of Public Law 88-552 (the Provisions) as may be amended prior to the execution of this Agreement are hereby incorporated by this reference.
- (b) BPA agrees that the Company, together with other companies in the Pacific Northwest, shall have priority to power that BPA has available for sale, in conformity with the Provisions.

Exhibit A, Page 9 of 8
Contract No. 95MS-94865
Reynolds Aluminum
Effective on the Commencement Date

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FEES FOR REMARKETING

Excess Firm Energy remarketed pursuant to section 18(b) of this Agreement shall be subject to the following charges:

1. One-Tenth (0.1) mill per kilowatthour multiplied by the total amount of energy remarketed under section 18(b)(2)(C), plus the scheduling and dispatching fee under BPA's ancillary services rate schedule.
2. Two thousand dollars (\$2,000) per contract under section 18(b)(2)(A) and section 18(b)(2)(B), plus the scheduling and dispatching fee under BPA's ancillary services rate schedule.

The Parties may agree to different charges for specific transactions. The prices above are all inclusive, including scheduling and dispatch, sales, billing, invoicing, and other administrative services.

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Exhibit C, Page 1 of 1
Contract No. 95MS-94865
Reynolds Aluminum
Effective on the Commencement Date

RATE SCHEDULE

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Exhibit D, Page 1 of 1
Contract No. 95MS-94865
Reynolds Aluminum
Effective on the Commencement Date

MONTHLY AMOUNTS OF FIRM POWER

CONTRACT YEAR 10/01/96 THROUGH 09/30/97

Proprietary Information on file with Contract Information: Contact PSI Staff if you have any questions.

Month	HLH (MWh)	LLH (MWh)	Demand (MW)
October			
November			
December			
January			
February			
March			

Month	HLH (MWh)	LLH (MWh)	Demand (MW)
April			
May			
June			
July			
August			
September			

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POINTS OF DELIVERY

1. TROUTDALE POINT OF DELIVERY

Location: in the Government's Troutdale Substation where the 13.8 kilovolt (kV) facilities of the Parties hereto are connected;

Voltage: 13.8 kV;

Metering: in the Government's Troutdale Substation, in the 13.8 kV circuits over which such electric power and energy flows;

Demand Limit: 330,000 kilowatts (kW); **provided, however,** that any demand level greater than 280,000 kW shall be delivered under conditions specified by BPA that are within the electrical capabilities of the Federal System facilities serving said Point of Delivery.

2. LONGVIEW AND LONGVIEW ANNEX NO. 2 POINT OF DELIVERY

Location: in the Government's Longview Substation where the 13.8 kV facilities of the Parties hereto are connected and in the Government's Longview Annex No. 2 Substation where the 13.8 kV facilities of the Parties hereto are connected;

Voltage: 13.8 kV;

Metering: in the Government's Longview and Longview Annex No. 2 Substations, in the 13.8 kV circuits over which such electric power and energy flows;

Demand Limit: 550,000 kW; **provided, however,** that any demand level greater than 425,000 kW shall be delivered under conditions specified by BPA that are within the electrical capabilities of the Federal System facilities serving said Point of Delivery;

Amount of Power Delivered: the Integrated Demands for the electric power and energy delivered at the Longview and Longview Annex No. 2 metering points will be added together coincidentally for billing purposes.

UNRECOVERABLE COSTS AND TRANSFER COSTS

1. UNRECOVERABLE COSTS

- (a) The unrecoverable costs in BPA substation or transmission facilities used to serve the Company's load, shall include the following unamortized investment in the facilities:

	Unamortized Investment
Prior to October 1, 1996	16,497,787
Contract Year 1997	16,346,233
Contract Year 1998	19,988,747
Contract Year 1999	19,807,133
Contract Year 2000	19,615,357
Contract Year 2001	19,411,110

- (b) If the facilities must be removed from the site, the unrecoverable costs shall include, in addition to the unamortized investment for such facilities, all reasonable costs involved in the disposition of such facilities, such as, but not limited to, labor in dismantling equipment, transportation, site restoration and cleanup (except for the cost covered under section 3(c) of Exhibit A), less any mitigation, such as the salvage value of such equipment.

2. TRANSFER COSTS

The Company is not served by transfer over third-party facilities.

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Exhibit G, Page 1 of 1
Contract No. 95MS-94865
Reynolds Aluminum
Effective on the Commencement Date

STABILITY RESERVE SCHEME(S)

1. Import Contingency Load Tripping Schemes: Remedial Action Scheme for the loss of the AC Intertie and Remedial Action Scheme for the loss of the DC Intertie.

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Exhibit H, Page 1 of 1
Contract No. 95MS-94865
Reynolds Aluminum
Effective on the Commencement Date

ARBITRATION PROCEDURES

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USE-OF-FACILITIES CHARGE

<u>Facility</u>	<u>Investment</u>	<u>I&A ^{1/}</u> <u>Annual</u> <u>Cost Ratio</u> _{^{3/}}	<u>I&A</u> <u>Annual</u> <u>Cost</u>	<u>O&M ^{2/}</u> <u>Annual</u> <u>Cost</u> _{^{4/}}	<u>Demand</u> <u>(kW)</u>	<u>\$/kW/yr</u>
Longview Substation	\$20,326,621	8.10%	\$1,646,456	\$670,114	418,000	\$5.54
Troutdale Substation	\$9,090,249	8.10%	\$736,310	\$546,951	250,000	\$5.13

Total Use-of-Facilities Charge (Longview) = 0.462 \$/kW/mo
Total Use-of-Facilities Charge (Troutdale) = 0.428 \$/kW/mo

^{1/} Investment and amortization.

^{2/} Operations and maintenance.

^{3/} Based on ACR table dated 6/2/95, column 8 minus column 5 for S5C2 substation category.

^{4/} Based on O&M table dated 6/2/95.

1. CHANGES TO THE USE-OF-FACILITIES CHARGE

(a) Changes in Costs and Demands

This Exhibit I may be revised annually to reflect changes in: (1) the yearly noncoincidental demands on the facility under this Agreement and other agreements; (2) changes in I&A annual cost ratio; (3) changes in O&M annual cost; and (4) changes in the general transfer agreement costs, if applicable. Any changes in the costs or demands used in calculating the use-of-facilities charge in this Exhibit I are subject to the dispute resolution provisions of section 22.

(b) Limits on Changes in Use-of-Facilities Charge

The sum of the annual costs for I&A annual cost, O&M annual cost, and the cost of general transfer agreements, if applicable, used in calculating the use-of-facilities charge shall not exceed a limit equal to 150 percent of such total annual cost specified in the initial Exhibit I as adjusted for changes in investments. The formula used for determining the use-of-facilities charge shall not change from the formula used in developing the initial Exhibit I.

2. NEW INVESTMENTS IN FACILITIES SERVING THE COMPANY

(a) Use-of-Facilities Charge

If new investments are proposed by BPA and agreed to by the Company in accordance with the provisions of section 5(b)(1)(C), such investments shall be used in the use-of-facilities charge under this Agreement.

(b) Change in Rate Test Limit

If BPA makes such new investments, the limit on the use-of-facilities charge specified in section 1(b) of this Exhibit I shall be proportionately increased to reflect such new investments.

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Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

AUTHENTICATED

Amendatory Agreement No. 1 to
Contract No. 95MS-94865

Mr. Dan Ten Eyck
Northwest Power Manager
Reynolds Metals Company
5100 NE. Sundial Road
Troutdale, OR 97060

Dear Mr. Ten Eyck:

This letter agreement (Amendatory Agreement) constitutes an amendment to Contract No. 95MS-94865 (Power Sales Agreement) between the Bonneville Power Administration (BPA) and Reynolds Metals Company (Company). BPA and the Company are hereinafter sometimes referred to individually as "Party" and collectively as "Parties." The Company has requested, and BPA has agreed, to allow the Company to purchase 325 MWh/hour of HLH and LLH Firm Energy during each hour of the Contract Year beginning October 1, 1996, and ending on September 30, 1997. As such, the Parties have agreed to amend the Power Sales Agreement in order to change the amounts of HLH and LLH Firm Energy to be purchased by the Company during the Contract Year 1996-1997. The amounts for the remaining 4 Contract Years shall remain unchanged.

Therefore, BPA proposes the following terms and conditions:

1. **EFFECTIVE DATE.** This Amendatory Agreement, when executed by the Parties, shall become effective at hour ending 0100 on October 1, 1996.
2. **DEFINITIONS.** All capitalized terms used herein shall be as defined in the Power Sales Agreement or the General Rate Schedule Provisions, unless otherwise specified in this Amendatory Agreement.

3. AMENDMENT OF POWER SALES AGREEMENT. The Power Sales Agreement is amended as follows:

Section 9(b) is deleted and replaced by the following:

“(b) Annual Amounts of Firm Energy

The Company shall purchase, during each Contract Year, the following annual amounts of HLH and LLH Firm Energy:

Contract Year	Firm HLH Energy (MWh)	Firm LLH Energy (MWh)
1996-1997	1,627,600	1,219,400
1997-1998	2,859,568	2,142,392
1998-1999	3,099,952	2,322,488
1999-2000	3,109,856	2,327,440
2000-2001	3,090,048	2,332,392

If this Amendatory Agreement is acceptable to the Purchaser, please so indicate by signing both originals and return one original to me. The remaining original is for your files.

Sincerely,

/S/ SYDNEY D. BERWAGER

Senior Customer Account Executive

Name Sydney D. Berwager
(Print / Type)

ACCEPTED:

REYNOLDS METALS COMPANY

By **/S/ JOHN R. AMOS**

Name John R. Amos
(Print / Type)

Title General Manager/Energy, Environmental, Health & Safety

Date December 11, 1996

(PBLAN-TMC-W:\MCP\MPSD\94865AA1.DOC)



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

SALES AND CUSTOMER SERVICE

AUTHENTICATED

Amendment #1

Contract No. 95MS9906094865

September 18, 1995

Mr. Ken Younger
Reynolds Metals Company
P.O. Box 27003
Richmond, VA 23261-7003

Dear Mr. Younger:

This Letter Agreement amends the Power Sales Agreement, Contract No. 95MS-94865 (Contract), between Bonneville and Reynolds Metals Company, by adding the following Section 23(c):

Section 23 (c)

(c) Notwithstanding anything herein to the contrary, (1) in the event that the Longview South Plant ("South Plant") is required by law, regulation, or order to cease or reduce operations to meet emission control standards imposed by a governmental agency that cannot currently be met at the South Plant facility when operating at full capacity, and (2) capital costs exceeding \$20 million are required to attain compliance, then, Reynolds' take-or-pay obligation in megawatts shall be adjusted downward by an amount determined by the following formula in the event that Reynolds should elect not to make the capital expenditures necessary to attain such standard:

$$\text{South Plant Lost Capacity} \times (\text{BPA Load} / 667)$$

Where,

"South Plant Lost Capacity" means the amount of power, stated in MW, required to serve the entire South Plant or such part of it that can not attain compliance absent expenditures in excess of \$20 million.

"BPA Load" means the portion, expressed in MW, of load at the Reynolds Longview and Troutdale production facilities served by BPA in the period during which Reynolds may elect to invoke the relief provided for herein. This amount will be the monthly demands in Exhibit D of the Contract for the period during which the South Plant will not operate. For the period not

covered by Exhibit D, this amount will be derived by dividing the annual total amounts of energy (MWh) in Section 9(b) of the Contract by 8766 hours.

The foregoing paragraph is not intended to diminish the relief otherwise afforded by this Section 23 for any period during which Reynolds can not, within the meaning of Section 23 (a), operate all or a portion of its production facilities due to a force majeure.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing two originals of the Agreement, and returning one original to BPA. The remaining original is for your files.

Sincerely,

/S/ SYDNEY D. BERWAGER

Sydney D. Berwager
Senior Account Executive

ACCEPTED:

REYNOLDS METALS COMPANY

By /S/ J. WILT WAGNER

Name J. Wilt Wagner
(Print/Type)

Title Executive Vice President/ Raw Materials, Metals and
Industrial Products

Date September 20, 1995

cc:

S. Jensen Fewel -LP	S. Larson - LP	T. Caine -MGHS
D. Dawson -MGHS	G. Arp - MGHU	D. Barton -MGHU
A. Bolas - MGHU	E. Carlson - MGHU	B. Denny - MGHU
D. DeWitt - MGHU	K. Hagin - MGHU	F. Halpin - MGHU
J. Ji - MGHU	K. Johnson - MGHU	S. Scheel - MGHU
A. Schuff - MGHU	R. Swartzbacker - MGHU	M. Felkel -MGHV
J. McNeil-Keister -MGHV	C. Westbrook - MGHV	B. Berry -MGHW
H. Black -MGHW	J. Larsen -MGHW	Y. Lee - MGHW
J. Anderson -MGS	E. Bleifuss -MGS	H. Frazier - MGS
T. Larson - MGS	G. Smith - MGS	T. Smith - MGS
A. Burns - MPB	D. Gerhardt - MPC	C. Meyer - MPC
A. Paschke - MPC	R. Itami - MPD	P. Norman -MPE
S. Oliver - MPG	S. Smith - MPS	H. Stevens - MPSP
V. Gonzales Wilkie - MPSI	R. Rogers - MPSM	D. Amonsens - MPSS
S. Lee - MPSW	G. Eskridge - SB/BOISE	C. Espiritu - SFR
D. Jones - SFR	G. Miles -SFR	S. Cooksey - SFS
D. Metcalf - SH-700	T. Noguchi - SH-700	S. Berwager - SH-700
G. Carter - SH-700	K. Hustad - SK	F. Rettenmund - SKK/SPOKANE
M. Nelson - ST	P. Blood - STO/OLYMPIA	C. Forman - STO\OLYMPIA
R. Bennett - SV	A. Perez - SVE/EUGENE	D. Watkins -TOT-DITT2
Field Contract Support - MPSK/SPOKANE		
Official File - PS (PM-11-14)		



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

AUTHENTICATED

Amendatory Agreement No. 1 to
Contract No. 95MS-94865

Mr. Dan Ten Eyck
Northwest Power Manager
Reynolds Metals Company
5100 NE. Sundial Road
Troutdale, OR 97060

Dear Mr. Ten Eyck:

This letter agreement (Amendatory Agreement) constitutes an amendment to Contract No. 95MS-94865 (Power Sales Agreement) between the Bonneville Power Administration (BPA) and Reynolds Metals Company (Company). BPA and the Company are hereinafter sometimes referred to individually as "Party" and collectively as "Parties." The Company has requested, and BPA has agreed, to allow the Company to purchase 325 MWh/hour of HLH and LLH Firm Energy during each hour of the Contract Year beginning October 1, 1996, and ending on September 30, 1997. As such, the Parties have agreed to amend the Power Sales Agreement in order to change the amounts of HLH and LLH Firm Energy to be purchased by the Company during the Contract Year 1996-1997. The amounts for the remaining 4 Contract Years shall remain unchanged.

Therefore, BPA proposes the following terms and conditions:

1. **EFFECTIVE DATE.** This Amendatory Agreement, when executed by the Parties, shall become effective at hour ending 0100 on October 1, 1996.
2. **DEFINITIONS.** All capitalized terms used herein shall be as defined in the Power Sales Agreement or the General Rate Schedule Provisions, unless otherwise specified in this Amendatory Agreement.

3. AMENDMENT OF POWER SALES AGREEMENT. The Power Sales Agreement is amended as follows:

Section 9(b) is deleted and replaced by the following:

“(b) Annual Amounts of Firm Energy

The Company shall purchase, during each Contract Year, the following annual amounts of HLH and LLH Firm Energy:

Contract Year	Firm HLH Energy (MWh)	Firm LLH Energy (MWh)
1996-1997	1,627,600	1,219,400
1997-1998	2,859,568	2,142,392
1998-1999	3,099,952	2,322,488
1999-2000	3,109,856	2,327,440
2000-2001	3,090,048	2,332,392

”

If this Amendatory Agreement is acceptable to the Purchaser, please so indicate by signing both originals and return one original to me. The remaining original is for your files.

Sincerely,

/S/ SYDNEY D. BERWAGER

Senior Customer Account Executive

Name Sydney D. Berwager
(Print / Type)

ACCEPTED:

REYNOLDS METALS COMPANY

By **/S/ JOHN R. AMOS**

Name John R. Amos
(Print / Type)

Title General Manager/Energy, Environmental, Health & Safety

Date December 11, 1996

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Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

AUTHENTICATED-REDACTED

In reply refer to: PSC

Amendatory Agreement No. 3 to
Contract No. 95MS-94865

Mr. Ken Younger
Director, Energy Procurement and Production
Reynolds Metals Company
6603 West Broad Street
Richmond, VA 23230

Dear Mr. Younger:

This letter agreement (Amendatory Agreement) constitutes an amendment to Contract No. 95MS-94865 (Power Sales Agreement) between the Bonneville Power Administration (BPA) and Reynolds Metals Company (Company). BPA and the Company are hereinafter sometimes referred to individually as "Party" and collectively as "Parties." The Company has requested, and BPA has agreed to amend the initial agreement, to allow the Company to purchase Heavy Load Hours (HLH) and Light Load Hours (LLH) Firm Energy as reflected below during each hour of the Contract Year beginning October 1, 1997, and ending on September 30, 2001. As such, the Parties have agreed to amend the Power Sales Agreement in order to change the amounts of HLH and LLH Firm Energy to be purchased by the Company during the Contract Years 1997-2001.

Therefore, BPA proposes the following terms and conditions:

1. **EFFECTIVE DATE.** This Amendatory Agreement, when executed by the Parties, shall become effective at hour ending 0100 on October 1, 1997.
2. **DEFINITIONS.** All capitalized terms used herein shall be as defined in the Power Sales Agreement or the General Rate Schedule Provisions, unless otherwise specified in this Amendatory Agreement.

3. AMENDMENT OF POWER SALES AGREEMENT. The Power Sales Agreement is amended as follows:

Section 9(b) is deleted and replaced by the following:

“(b) Annual Amounts of Firm Energy

The Company shall purchase, during each Contract Year, the following annual amounts of HLH and LLH Firm Energy:

REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION

Contract Year	Firm HLH Energy (MWh)	Firm LLH Energy (MWh)
1996-1997		
1997-1998		
1998-1999		
1999-2000		
2000-2001		

If this Amendatory Agreement is acceptable to the Purchaser, please so indicate by signing both originals and return one original to me. The remaining original is for your files.

Sincerely,

/S/ SYDNEY D. BERWAGER

Senior Customer Account Executive

Name Sydney D. Berwager
(Print/Type)

ACCEPTED:

REYNOLDS METALS COMPANY

By _____

Name **/S/ RANDY N. REYNOLDS**

(Print/Type)

Randolph N. Reynolds

Title Vice Chairman & Executive Officer

Date October 27, 1997

AUTHENTICATED

**Revision No. 2, Exhibit E
POINTS OF DELIVERY**

This revision removes the Longview Point of Delivery.

1. **EFFECTIVE DATE.** This Revision No. 2 shall become effective at 0700 hours on February 27, 2001.

2. **POINTS OF DELIVERY.**

(a) **Addy Point of Delivery**

Location: in the Government's Addy Substation, near Addy, Washington, where the 23 kilovolt (kV) facilities of the Government and Northwest Alloys, Inc., are connected;

Voltage: 23 kV;

Metering: in the Government's Addy Substation, in the 23 kV circuit(s) over which such electric power and energy flows;

Demand Limit: 42.000 kilowatts (kW).

(b) **Intalco Point of Delivery**

Location: in the Government's Intalco Substation where the 13.8 kV facilities of the Government and Intalco Aluminum Corp. are connected;

Voltage: 13.8 kV;

Metering: in the Government's Intalco Substation, in the 13.8 kV circuit(s) over which such electric power and energy flows.

(c) **Troutdale Point of Delivery**

Location: in the Government's Troutdale Substation where the 13.8 kV facilities of the Parties hereto are connected;

Voltage: 13.8 kV;

Metering: in the Government's Troutdale Substation, in the 13.8 kV circuits over which such electric power and energy flows;

Demand Limit: 330,000 kW; **provided, however,** that any demand level greater than 280,000 kW shall be delivered under conditions specified by BPA that are within the electrical capabilities of the Federal System facilities serving said Point of Delivery.

(d) **Valhalla Point of Delivery**

Location: in the Government's Valhalla Substation, where the 115kV facilities of the Government and Chelan County Public Utility District No. 1 are connected;

Voltage: 115 kV.

ACCEPTED:

REYNOLDS METALS COMPANY

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By /S/ PAULA J. JESION

By Mark E. Miller

Name Paula J. Jesion
(Print/Type)

Account Executive

Name /S/ MARK E. MILLER
(Print/Type)

Title Vice President

Date 5/7/01

Date 5/16/01

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Revision No. 1, Exhibit F
UNRECOVERABLE COSTS AND TRANSFER COSTS

This revision revises the unamortized investment in Troutdale Substation for Contract Year 2001.

1. **EFFECTIVE DATE.** This Revision No. 1 will take effect on the date signed by the Parties.
2. **UNRECOVERABLE COSTS.**

- (a) The unrecoverable costs in BPA substation or transmission facilities used to serve the Company's load shall include the following unamortized investment in the facilities:

Contract Year	Unamortized Investment
Contract Year 2001	\$5,397,204

- (b) If the facilities must be removed from the site, the unrecoverable costs shall include, in addition to the unamortized investment for such facilities, all reasonable costs involved in the disposition of such facilities, such as, but not limited to, labor in dismantling equipment, transportation, site restoration and cleanup (except for the cost covered under section 3(c) of Exhibit A), less any mitigation, such as the salvage value of such equipment.
3. **TRANSFER COSTS.** The Company is not served by transfer over third-party facilities.

ACCEPTED:

REYNOLDS METALS COMPANY

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By /S/ PAULA J. JESION

By /S/ MARK E. MILLER
Account Executive

Name Paula J. Jesion
(Print/Type)

Name Mark E. Miller
(Print/Type)

Title Vice President

Date 5/7/01

Date 5/16/01

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**Revision No. 2, Exhibit I
USE-OF-FACILITIES CHARGE**

This revision deletes the Longview Substation facility and revises the use-of-facilities charge for the Troutdale Substation facility.

1. **EFFECTIVE DATES.** The deletion of the Longview Substation facility became effective at 0700 hours on February 27, 2001, and the revised use-of-facilities charge for the Troutdale Substation facility became effective on October 1, 1998.
2. **USE-OF-FACILITIES CHARGE**

<u>Facility</u>	<u>Investment</u>	<u>I&A ^{1/} Annual Cost Ratio</u> <u>^{3/}</u>	<u>I&A Annual Cost</u>	<u>O&M ^{2/} Annual Cost</u> <u>^{4/}</u>	<u>Demand (kW)</u>	<u>\$/kW/yr</u>
Troutdale Substation	\$14,753,547	8.08%	\$1,192,087	\$193,860	250,000	\$5.54

Total Use-of-Facilities Charge (Troutdale) = 0.462 \$/kW/mo

^{1/} Investment and amortization.

^{2/} Operations and maintenance.

^{3/} Based on ACR table dated 5/5/98, column 8 minus column 5 for H5 substation category.

^{4/} Based on O&M table dated 5/5/98.

3. **CHANGES TO THE USE-OF-FACILITIES CHARGE**

(a) **Changes in Costs and Demands**

This Exhibit I may be revised annually to reflect changes in: (1) the yearly noncoincidental demands on the facility under this Agreement and other agreements; (2) changes in I&A annual cost ratio; (3) changes in O&M annual cost; and (4) changes in the general transfer agreement costs, if applicable. Any changes in the costs or demands used in calculating the use-of-facilities charge in this Exhibit I are subject to the dispute resolution provisions of section 22.

(b) **Limits on Changes in Use-of-Facilities Charge**

The sum of the annual costs for I&A annual cost, O&M annual cost, and the cost of general transfer agreements, if applicable, used in calculating the use-of-facilities charge shall not exceed a limit equal to 150 percent of such total annual cost specified in the initial Exhibit I as adjusted for changes in investments. The formula used for determining the use-of-facilities charge shall not change from the formula used in developing the initial Exhibit I.

4. **NEW INVESTMENTS IN FACILITIES SERVING THE COMPANY**

(a) **Use-of-Facilities Charge**

If new investments are proposed by BPA and agreed to by the Company in accordance with the provisions of section 5(b)(1)(C), such investments shall be used in the use-of-facilities charge under this Agreement.

(b) **Change in Rate Test Limit**

If BPA makes such new investments, the limit on the use-of-facilities charge specified in section 3(b) of this Exhibit I shall be proportionately increased to reflect such new investments.

ACCEPTED:

REYNOLDS METALS COMPANY

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By /S/ PAULA J. JESION

By Mark E. Miller
Account Executive

Name Paula J. Jesion
(Print/Type)

Name /S/ MARK E. MILLER
(Print/Type)

Title Vice President

Date 5/7/01

Date 5/16/01

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Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

May 7, 2001

AUTHENTICATED-REDACTED

In reply refer to: PT-5

Amendatory Agreement No. 4 to
Contract No. 95MS-94865

Mr. Kevin Anton
Reynolds Metals Company
c/o Alcoa Inc.
201 Isabella Street
Pittsburgh, PA 15212-5858

Dear Mr. Anton:

This letter agreement (Amendatory Agreement) constitutes an amendment to Contract No. 95MS-94865 (Power Sales Agreement) between the Bonneville Power Administration (BPA) and Reynolds Metals Company (Company). BPA and the Company are hereinafter sometimes referred to individually as "Party" and collectively as "Parties." As a result of an assignment of REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION of Contract Demand to Longview Aluminum, LLC, the Company and BPA have agreed to amend the Power Sales Agreement to allow the Company to change Heavy Load Hours (HLH) and Light Load Hours (LLH) Firm Energy amounts as reflected below for the Contract Year beginning October 1, 2000, and ending on September 30, 2001, and to make several other conforming changes to the Power Sales Agreement.

Therefore, BPA proposes the following terms and conditions:

1. **EFFECTIVE DATE.** This Amendatory Agreement, when executed by the Parties, shall become effective at 0700 hours on February 27, 2001 (Effective Date).
2. **DEFINITIONS.** All capitalized terms used herein shall be as defined in the Power Sales Agreement or the General Rate Schedule Provisions, unless otherwise specified in this Amendatory Agreement.
3. **AMENDMENT OF POWER SALES AGREEMENT.** The Power Sales Agreement is amended as follows:

(a) Section 6(c) is deleted and replaced by the following:

"(c) "Contract Demand" means the maximum integrated hourly rate of delivery that the Company may request under this

Agreement and is equal to REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION. The Contract Demand shall not be increased except through:

- (1) a process conducted pursuant to section 5(d)(3) of the Northwest Power Act that provides for BPA to acquire increased reserves from its direct service industrial companies; or
- (2) a technological allowance which BPA shall grant upon the Company's demonstration to BPA that such allowance meets the criteria for a technological allowance under the Prior Contract."

(b) Section 9(b) is deleted and replaced by the following:

"(b) Annual Amounts of Firm Energy

The Company shall purchase, during each Contract Year, the following annual amounts of HLH and LLH Firm Energy:

REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION

Contract Year	Firm HLH Energy (MWh)	Firm LLH Energy (MWh)
1996-1997		
1997-1998		
1998-1999		
1999-2000		
2000-2001		

4. **REVISION OF EXHIBITS D, E, F, and I.** Effective on the Effective Date, revised Exhibits D, E, F, and I are attached to this Amendatory Agreement.

If this Amendatory Agreement is acceptable to the Purchaser, please so indicate by signing both originals and return one original to me. The remaining original is for your files.

Sincerely,

/S/ MARK E. MILLER

Mark E. Miller
Account Executive

DATE 5/8/01

ACCEPTED:

REYNOLDS METALS COMPANY

By /S/ PAULA J. JESION

Name Paula J. Jesion
(Print/Type)

Title Vice President

Date 5/16/01

Revision No. 8, Exhibit D
MONTHLY AMOUNTS OF FIRM POWER
AUTHENTICATED-REDACTED

This revision shows monthly amounts of heavy load hours (HLH) and light load hours (LLH) Firm Energy and Demand for Contract Year 2000-2001.

1. **EFFECTIVE DATE.** This Revision No. 8 will take effect at 2400 hours on September 30, 2000.
2. **MONTHLY AMOUNTS OF FIRM POWER CONTRACT YEAR 10/01/2000 THROUGH 09/30/2001**

REDACTED: CONTAINS CONFIDENTIAL COMMERCIAL INFORMATION

Month	HLH (MWh)	LLH (MWh)	Demand (MW)
October			
November			
December			
January			
February			
March			

Month	HLH (MWh)	LLH (MWh)	Demand (MW)
April			
May			
June			
July			
August			
September			
TOTAL			

ACCEPTED:

REYNOLDS METALS COMPANY

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By /S/ PAULA J. JESION

By /S/ MARK E. MILLER
Account Executive

Name Paula J. Jesion
(Print / Type)

Name Mark E. Miller
(Print / Type)

Title Vice President

Date 5/7/01

Date 5/16/01

(PST-5 -- W:\P\PSB\PM\DSI\Reynolds\94865_ExhD_r8),



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

February 5, 1997

AUTHENTICATED

In reply refer to : PSB

BPA Appropriations Refinancing, Public Law 104-134

Mr. Ken Younger
Corporate Director of Energy Services
Reynolds Aluminum
6601 West Broad Street
Richmond, VA 23230

Dear Mr. Younger

The U.S. Congress recently enacted in Public Law 104-134, the 1996 Energy and Water Development Appropriations Act (Act). This legislation addresses past interest rate subsidy criticisms regarding the existing Federal Columbia River Power System (FCRPS) investments in a manner that benefits Federal taxpayers while assuring BPA's customers that their repayment obligation will not be changed in the future.

Section 3201(i) of the Act requires that the Bonneville Power Administration (BPA) offer certain contract terms in all future and certain existing contracts for the sale of electric power, transmission, or related services. BPA interprets "related services" to include any power or transmission service which is sold by BPA: energy services, operations and maintenance agreements, and ancillary reserve services. These contract terms are intended to fix the customers' obligations to repay interest and principal on old capital investments.

BPA interprets section 3201(i) to exclude purchase contracts such as power acquisition contracts and conservation contracts; as well as other agreements which are not a "sale" by BPA such as net billing agreements, Canadian Entitlement agreements, and facilities access agreements.

The purpose of this letter agreement is to offer a single amendment to all of your eligible contracts in effect as of the effective date of this letter agreement to include the contract provisions specified in Section 3201(i). For any future eligible contracts, BPA will also offer comparable contract terms to fulfill the requirements of Section 3201(i).

By this letter agreement, BPA offers to implement Section 3201(i) for eligible contracts as follows:

1. **ELIGIBLE CONTRACTS.** Customer contracts with BPA are eligible if in effect as of the effective date of this letter agreement, for the sale of electric power, transmission, or related services. The Customer shall list those contracts it wishes to amend in the Attachment to this letter agreement.
2. **DEFINITIONS.** Unless otherwise defined in this letter agreement, all capitalized terms shall have the same meaning as specified in Section 3201.
3. **IMPLEMENTATION OF SECTION 3201(i).** Each contract listed in the Attachment to this letter agreement is amended to include the following section:

"BPA APPROPRIATIONS REFINANCING ACT- P.L. 104-134

Consistent with Section 3201(i) of Public Law No. 104-134:

"(a) Bonneville shall establish rates and charges on the basis that:

"(1) the principal amount of an old capital investment shall be no greater than the new principal amount established under Section 3201(b) of Public Law 104-134;

"(2) the interest rate applicable to the unpaid balance of the new principal amount of an old capital investment shall be no greater than the interest rate established under Section 3201(c) of Public Law 104-134;

"(3) any payment of principal of an old capital investment shall reduce the outstanding principal balance of the old capital investment in the amount of the payment at the time the payment is tendered; and

"(4) any payment of interest on the unpaid balance of the new principal amount of an old capital investment shall be a credit against the appropriate interest account in the amount of the payment at the time the payment is tendered

--

"(b) apart from charges necessary to repay the new principal amount of an old capital investment as established under Section 3201(b) of Public Law 104-134 and to pay the interest on the principal amount under Section 3201(c) of Public Law 104-134, no amount may be charged for return to the U.S. Treasury as repayment for or return on an old capital investment, whether by way of rate, rent, lease payment, assessment, user charge, or any other fee;

"(c) amounts provided under Section 1304 of Title 31, U.S. Code, shall be available to pay, and shall be the sole source for payment of, a judgment against or settlement by Bonneville or the United States on a claim for a breach of this section; and

"(d) the contract provisions specified in this section do not:

"(1) preclude Bonneville from recovering, through rates or other means, any tax that is generally imposed on electric utilities in the United States, or

“(2) affect Bonneville’s authority under applicable law, including section 7(g) of the Pacific Northwest Electric Power Planning and Conservation Act, to:

“(A) allocate costs and benefits, including but not limited to fish and wildlife costs, to rates or resources, or

“(B) design rates.

“(e) Terms used in this section shall have the same meaning as they have under Section 3201(b) of Public Law 104-134.

“(f) References in this section to Section 3201 of Public Law 104-134 are to that Section as approved by the 104th Congress and signed by the President in April of 1996.”

BPA makes no further representation as to the meaning or application of Section 3201(i) other than the specific terms offered herein.

If the terms and conditions of this letter agreement are acceptable, please sign the acceptance block on both originals, and return one original of this letter agreement to me no later than April 30, 1997. The remaining original is for your files. Thank you for your prompt attention to this matter.

Sincerely,

/S/ SYDNEY D. BERWAGER

Sydney D. Berwager
Senior Account Executive

ACCEPTED:

Reynolds Aluminum

By /s/ JOHN R. AMOS

Name John R. Amos

(Print/Type)

Title General Manager, Energy, Environment, Safety & Industrial Hygiene

Date 2/20/97

Attachment:

List of Eligible Contracts

ATTACHMENT

**City of Forest Grove
LIST OF ELIGIBLE CONTRACTS
BPA Appropriations Refinancing, Public Law 104-134**

The following contracts are amended to include the terms of the letter agreement executed on
February 20, 1997:

Contract Number	Contract Title
95MS-94865	Power Sales Agreement
DE-MS79-88BP92450	Con/Mod Conservation & Modernization
DE-MS79-88BP92451	Con/Mod Conservation & Modernization
DE-MS79-95BP94767	General Transmission
DE-MS79-94BP94443	Industrial Replacement Energy (IRE) Interim
DE-MS79-81BP90356	Power Sales
DE-MS79-81BP90175	Principles of Operation
DE-MS79-88BP90239	Protected Storage
14-03-49138	Trust-Longview Substation

Revision No. 8, Exhibit D
MONTHLY AMOUNTS OF FIRM POWER

This revision shows revised monthly amounts of heavy load hours (HLH) and light load hours (LLH) Firm Energy and Demand for Contract Year 2000-2001.

1. EFFECTIVE DATE

This Revision No. 8 will take effect at 2400 hours on September 30, 2000.

**2. MONTHLY AMOUNTS OF FIRM POWER CONTRACT YEAR 10/01/2000
THROUGH 09/30/2001**

Month	HLH (MWh)	LLH (MWh)	Demand (MW)
October	277,888	219,772	668
November	277,888	203,072	668
December	277,888	219,104	668
January	288,576	208,416	668
February	66,816	50,112	174
March	75,168	54,288	174

Month	HLH (MWh)	LLH (MWh)	Demand (MW)
April	69,600	55,506	174
May	75,168	54,288	174
June	72,384	52,896	174
July	19,968	15,744	48
August	20,736	14,976	48
September	19,200	15,360	48
Total	1,541,280	1,163,534	

ACCEPTED:

REYNOLDS METALS COMPANY

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By _____

By _____
Account Executive

Name _____
(Print / Type)

Name _____ Mark E. Miller
(Print / Type)

Title _____

Date _____

Date _____

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05/18/01 09:46 FAX 412 553 4180

ALCOA LEGAL DEPT.

0006

MAY-16-2001 WED 10:17 AM ALUMINUM CO. OF AMERICA FAX NO. 1 423 594 4754

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P.5/18

OCT 84 '89 28:37

Revision No. 8, Exhibit D
MONTHLY AMOUNTS OF FIRM POWER

This revision shows monthly amounts of heavy load hours (HLH) and light load hours (LLH) Firm Energy and Demand for Contract Year 2000-2001.

1. **EFFECTIVE DATE.** This Revision No. 8 will take effect at 2400 hours on September 30, 2000.
2. **MONTHLY AMOUNTS OF FIRM POWER CONTRACT YEAR 10/01/2000 THROUGH 09/30/2001**

October	277,888	219,772	668
November	277,888	203,072	668
December	277,888	219,104	668
January	288,576	208,416	668
February	215,386	166,872	594
March	76,168	64,288	174

April	69,600	55,506	174
May	76,168	64,288	174
June	72,384	52,896	174
July	19,968	16,744	48
August	20,736	14,976	48
September	19,200	16,360	48
TOTAL	1,689,850	1,280,294	

ACCEPTED:

REYNOLDS METALS COMPANY

UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration

By Paula J TesionName Paula J Tesion
(Print/Type)Title Vice PresidentDate 5/16/01

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By Mark E. Miller
Account ExecutiveName Mark E. Miller
(Print/Type)Date 5/7/01

Revision No. 7, Exhibit D
MONTHLY AMOUNTS OF FIRM POWER

This revision shows monthly amounts of heavy load hours (HLH) and light load hours (LLH) Firm Energy and Demand for Contract Year 2000-2001.

1. EFFECTIVE DATE

This Revision No. 7 will take effect at 2400 hours on September 30, 2000.

2. MONTHLY AMOUNTS OF FIRM POWER CONTRACT YEAR 10/01/2000 THROUGH 09/30/2001

Month	HLH (MWh)	LLH (MWh)	Demand (MW)
October	277,888	219,772	668
November	277,888	203,072	668
December	277,888	219,104	668
January	288,576	208,416	668
February	228,096	171,072	594
March	256,608	185,328	594

Month	HLH (MWh)	LLH (MWh)	Demand (MW)
April	237,600	189,486	594
May	256,608	185,328	594
June	247,104	180,576	594
July	194,688	153,504	468
August	202,176	146,016	468
September	187,200	149,760	468
TOTAL	2,932,320	2,211,434	

ACCEPTED:

REYNOLDS METALS COMPANY

UNITED STATES OF AMERICA
 Department of Energy
 Bonneville Power Administration

By D A Kluthe

By Mark E Miller
 Account Executive

Name D. A. KLUTHE
 (Print/Type)

Name Mark E. Miller
 (Print/Type)

Title V.P. & CFO RMC

Date 1/10/01

Date 1/12/01

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**Revision No. 6, Exhibit D
MONTHLY AMOUNTS OF FIRM POWER**

This revision shows monthly amounts of HLH and LLH Firm Energy and Demand for Contract Year 2000-2001.

EFFECTIVE DATE

This Revision No. 6 will take effect at 2400 hours on September 30, 2000.

CONTRACT YEAR 10/01/2000 THROUGH 09/30/2001

Month	HLH (MWh)	LLH (MWh)	Demand (MW)
October	277,888	219,772	668.00
November	277,888	203,072	668.00
December	277,888	219,104	668.00
January	288,576	208,416	668.00
February	256,512	192,384	668.00
March	288,576	208,416	668.00

Month	HLH (MWh)	LLH (MWh)	Demand (MW)
April	267,200	213,092	668.00
May	288,576	208,416	668.00
June	277,888	203,072	668.00
July	277,888	219,104	668.00
August	288,576	208,416	668.00
September	267,200	213,760	668.00
TOTAL	3,334,656	2,517,024	

ACCEPTED:

REYNOLDS ALUMINUM

By Robert L. Griswold

Name ROBERT L. GRISWOLD
(Print/Type)

Title PROJECT ENGINEERING MANAGER

Date 1-12-2000

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By Sydney D. Berwager
Senior Account Executive

Name Sydney D. Berwager
(Print/Type)

Date 1-20-2000

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